

London	1.00	Frankfurt	1.00
Paris	1.00	Geneva	1.00
Stockholm	1.00	Copenhagen	1.00
Oslo	1.00	Norway	1.00
Amsterdam	1.00	Brussels	1.00
Madrid	1.00	Lisbon	1.00
Rome	1.00	Naples	1.00
Bombay	1.00	Calcutta	1.00
Mumbai	1.00	Delhi	1.00
Beijing	1.00	Tokyo	1.00
Seoul	1.00	Manila	1.00
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Bangkok	1.00	Singapore	1.00
Hong Kong	1.00	London	1.00

PEOPLE
The Rumors Are True
Bhutto Has 3rd Child

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post
PARIS, SATURDAY-SUNDAY, FEBRUARY 6-7, 1993

ESTABLISHED 1887

The Clintons' White House

For Strong First Lady, New 'Domestic' Chores

By Michael Kelly
New York Times Service

WASHINGTON — Breaking with a tradition that casts the first lady as a demure spokeswoman for good deeds, the new president's wife has emerged in public as the most important White House adviser on domestic issues.

Hillary Rodham Clinton's status was demonstrated most recently in a lobbying expedition to Capitol Hill on behalf of still undefined proposals to restructure the national system of health care.

Mrs. Clinton met on the second floor of the Capitol with the Senate Democratic leader, George J. Mitchell of Maine; with 28 more Democratic senators, and with two influential Republican senators, Bob Dole of Kansas, the minority leader, and John H. Chafee of Rhode Island.

The meetings, by all accounts, broke no new ground on health care. But they were of strong symbolic importance on two levels, underscoring the importance of health-care legislation to the administration and the importance of Mrs. Clinton in the new power structure.

Her influence was vividly captured in an image that was at once traditional and novel. As the journalists and the cameras waited in their usual fashion behind red velvet ropes



FACE FROM THE PAST — A Russian soldier, still with the insignia of the defunct Soviet Union on his hat, wearing a gas mask Friday during chemical warfare training near Moscow. Russia's chemical weapons are to be destroyed over 15 years.

Clinton Backs Off On Threat of Force In Bosnia, for Now

By Thomas L. Friedman
New York Times Service

WASHINGTON — The Clinton administration has set aside for now the use of military force to resolve the Balkan crisis and is preparing instead a diplomatic effort to modify the peace plan for Bosnia to make it acceptable to the Muslims, according to administration officials.

The officials declined to specify what changes they would seek in the partition of Bosnian territory envisioned by the plan, fashioned by the United Nations mediator, Cyrus R. Vance and his counterpart from the European Community, Lord Owen.

Washington has refused to endorse the plan, which would divide Bosnia-Herzegovina into 10 autonomous provinces largely along ethnic lines, because it sees it as unfair to the Bosnian Muslims.

President Bill Clinton on Friday reiterated his reluctance to support the plan, Reuters reported. "I applaud the effort," he said. But the president added that the United States was "reluctant to impose an agreement on the parties to which they do not agree."

Administration officials said the White House did not have a map of its own that it would support any outcome that all the parties could live with.

That, however, effectively dictates an American diplomatic initiative that pressures the Serbs to give more territory to the Muslims than now provided in the Vance-Owen plan, while making sure that the appetite of the Muslims does not grow out of proportion, the officials indicated.

This diplomatic initiative by the administration will likely be combined with a stepped-up humanitarian relief program, the officials said. But advisers to Mr. Clinton still have not decided how big the increase in aid would be, or the exact mechanism they would use to get it into the Bosnian capital, Sarajevo, and other areas.

Mr. Clinton spoke during the presidential campaign about possibly using military force, including bombing Serbian targets if necessary, to relieve Bosnia.

But for now, his administration appears to have rejected such options as it has confronted the complexities of the Bosnian situation and the actual prospect of ordering military inter-

Cabinet Gets Personal At Not-So-Wild Weekend

By Ann Devroy
Washington Post Service

WASHINGTON — It was the evening program at Camp David, and President Bill Clinton gathered his cabinet and top aides together for a group exercise in what experts call "human resource development" conducted by two professional "facilitators."

The point, the group was informed, was to tell each other about some major fact or experience in their lives not on their public biographies. Sharing such experiences, they were told, helps build sharing relationships necessary to foster trust among new teams.

Mr. Clinton, no stranger to such exercises, plunged in with a story about his early childhood.

"He talked about how he was a fat kid when he was 5 and 6 and how the other kids tamed him," a source said.

Human resource development, often in the form of weekend retreats, is common in business, but not generally in the White House or politics. One Clinton official said Thursday: "Don't try to make this sound weird, like we had some kind of encounter group therapy up there. It was actually great. It was just people talking about themselves."

The Camp David retreat last Saturday and Sunday, Mr. Clinton's second weekend in office, was his first visit to the presidential hideaway in the Maryland mountains. How the new president used that weekend offers a portrait of how different this presidency will be from the one that preceded it — in style if nothing else. But some problems of the presidency, such as leaks to the media, endure.

Previous presidents have brought their

U.S. Jobs Growth Fails to Set World Pace Markets Cheer

By Lawrence Malkin
International Herald Tribune

NEW YORK — Employment figures published Friday showed the United States stuck in what looked like a half-speed recovery that could set a pattern of slow job growth for Europe and even Japan when they start turning around.

The Labor Department reported that in January the economy created 106,000 new non-farm jobs. This is about half the number normally created in a recovery, but only to be expected in a recovery that itself is proceeding at half the normal postwar rate.

At the same time, unemployment in Germany shot up to 8.3 percent as the country sank deeper into recession, which U.S. economists warned would force an industrial restructuring similar to that in America to meet international competition with higher productivity. (Page 9)

The U.S. unemployment rate, more politically than economically significant, declined from 7.3 percent to 7.1 percent. That was because there were half a million fewer workers in the labor force, which is used to figure the percentage.

"The optimism of November and December fell away and more people stopped looking for jobs because the economy was not creating enough of them," said Audrey Freedman, a labor economist who heads Manpower Plus.

President Bill Clinton, acutely aware of the problem, said that the unemployment rate was "better but still too high." He also showed concern about "a lot of unused capacity in the country, a lot of idle people."

But Wall Street had its eyes fixed on the higher profits that come from lower labor costs and held onto its record gains of Thursday. The Dow Jones industrial average closed at a new high of 3,442.14, up 25.40 points on the day.

One potential bright spot in the job picture was an average manufacturing workweek of 41.4 hours, the highest in 25 years. This implies sizable overtime payments, which can only be reduced by adding workers.

According to Allen Sinai of Boston Co., this already seems to be happening and turning into "a spreading improvement in jobs."

Hiring last month began moving from mainly temporary and health-care workers into production.

See JOBS, Page 10

The \$400 Cup: A Case History of a Failed East German Industry

By Marc Fisher
Washington Post Service

FREITAL, Germany — Prince Alexander of Saxony and Christian Tassin, a sharp banker from Paris, were old boarding school chums looking to restore the luster of the prince's royal name, join in the historic effort to resurrect Eastern Germany and make a pile of money along the way.

In 1991, Mr. Tassin and the prince, who ran an air freight company in Mexico, thought they had struck gold — white gold, the majestic porcelain pieces produced by hand for more than 200 years at the Saxon Porcelain Manufacture workshops in this East German industrial city near Dresden.

Mr. Tassin and the prince were the first foreign investors lured to this part of Saxony, once an engine of Germany's industrial might, after the collapse of communism. They were the pride and joy of the Treuhander agency, which was

set up by the German government to sell off the state enterprises of Eastern Germany.

This weekend, two years after taking charge, Mr. Tassin packed his last few personal items and locked the doors of this rambling old factory.

The prince long ago returned to Mexico to care for his investments there.

And last week, Saxon Porcelain Manufacture sent its craftsmen home, went into bankruptcy and shut its doors, done in, Mr. Tassin said, by high labor costs and rigid union demands.

"I'm sorry, the Treuhander asked me to leave quietly, but I have to tell foreign investors it would be madness to come here," Mr. Tassin said. "You have to pay West German wages to work in an economy that looks like Zaire."

Saxony's other major porcelain maker, Meissen, was saved from a similar fate only by the intervention of the

state government, which bought the company and runs it as a subsidized cultural treasure.

"I have an MBA, but you don't need an MBA here, you need a survivor's license," Mr. Tassin said. "For two years, I heard only one word: 'No.' I stopped everything in my life to make this work. But it has been a nightmare."

Above all, Mr. Tassin said, a series of hefty wage increases negotiated by the major Western German unions pushed labor costs so high that the porcelain maker — like many Eastern manufacturers — could not possibly turn a profit. Mr. Tassin faced pay increases of 35 percent his first year, 32 percent last year and 30 percent this year.

"I told the unions I am an investor, not Santa Claus," Mr. Tassin said. "East German wages are more than 10 percent higher than those at Limoges, where wages were cut by 10 percent last year while we were forced to give huge increases." He was talking about the French porcelain center.

German economists predict a wave of bankruptcies in Eastern Germany this year, particularly in labor-intensive industries. Investors complain that the rapid rise in wages leaves them with no incentive to operate in the East. In many industries, pay has gone from 60 percent of Western levels in 1990 to more than 80 percent now, with big raises set for this spring.

As Eastern markets dissolved and Western investors remained wary, the number of manufacturing jobs in the East has plummeted from more than 3 million to 700,000 since the fall of the Berlin Wall. The widespread sense that Eastern wages are rising too fast has prompted industry and the Bonn government to seek a reopening of wage negotiations with Germany's powerful unions. But that effort appeared to stall last week.

Any hope of holding off the seemingly inexorable climb of Eastern salaries toward Western levels was too late for

See EAST, Page 12

Loosening of Monetary Vise

Compiled by Our Staff From Dispatches

LONDON — European stock markets surged Friday on a tide of euphoria prompted by the Bundesbank's interest rate cuts and weak currencies continued to recover. But officials and analysts said it was far too early to call an end to Europe's currency crisis.

"It is clear it was enough to calm the exchange-rate mechanism," the European Community's economic affairs commissioner, Henning Christophersen, said of the rate cuts Germany made Thursday.

"But the credibility of a currency starts at home," he added. "I don't think all the ills have been cured."

Shares in Paris and Frankfurt ended at their highest for more than six months after many anxious weeks awaiting action to stir Europe out of its long and gloomy recession.

In Paris, the CAC-40 index ended above the 1,900 level for the first time since June 1992 on optimism that the German reductions would allow France to follow suit soon. The index gained 53.80 points to 1,908.18.

In Frankfurt, the 30-share DAX index of German stocks closed 39.76 points higher at 1,641.37.

The European component of the International Herald Tribune World Stock Index gained 0.70 percent.

In the currency markets, the French franc strengthened in early trading but ended unchanged at 3.3828 francs to the Deutsche mark. The Danish krone — the prime target of speculators before the German move — rebounded.

See MARKETS, Page 11

Smile! It's Really Grim

Upbeat Ads Help Sell Misery Movies

By Janet Maslin
New York Times Service

NEW YORK — Let's say your plane had just gone down in the Andes, forcing you to eat the pilot and spend 70 odd days in freezing cold. Would that be any reason for looking downbeat? Of course not, if you're a movie distributor determined to see the bright side, as movie distributors so often are.

Observe the current ads and posters for films about fatal disease or would-be suicide, featuring vicious thugs or quarrelsome families or sex-obsessed adulterers, and you will see a remarkable wave of sunny, feel-good images. Only if you're familiar with the films themselves will you ask the obvious question: Why are these people smiling?

Well, we certainly know the answer. They're smiling to put the best faces forward for their respective films, even if those faces in truth aren't so happy. Ads for "Lorenzo's Oil," the film about parents who learn their son has a fatal disease, show the three principals beaming lovingly at one another, even though there is hardly a moment in the film when these worried, anxious characters are able to smile at all.

The ad also quotes reviews using words like "exhilarates" and "triumph." There's even a

Kiosk Mobutu Dismisses Rival, Blaming Him for Riots

GRADOLITE, Zaire (Combined Dispatches) — President Mobutu Sese Seko said Friday that he was dismissing his reform-minded prime minister, Etienne Tshisekedi, blaming him for riots in which scores died. Estimates range from 80 killed to more than 300.

Marshal Mobutu said he would ask the transitional parliament, the High Council of the Republic, to propose a new prime minister, saying that Mr. Tshisekedi had not fulfilled his mandate to form a new, broad-based cabinet.

It was not clear that Marshal Mobutu has the authority to dismiss the prime minister. The two are locked in a power struggle that came to a head over new 5,000,000 zaire bank notes, worth about \$2. They were outlawed by Mr. Tshisekedi as inflationary.

(Reuters, AFP)



ANYTHING BUT RETIRING — Lord King showing displeasure with questions about his retirement as chairman of British Airways, five months earlier than planned and after disclosures of 'dirty tricks' against Virgin Atlantic. Page 9.

Dow Jones	Up 25.40	Trib Index	Up 0.46%
	3,442.14		90.81
The Dollar			
New York	1.6603	previous close	1.6575
DM	1.4445		1.4415
Pound	124.40		124.72
Yen	5.6125		5.6045

in taste

FIRST 100 DAYS /

★ POLITICAL NOTES ★

Old Cold War Spy Foes Go Into Business

WASHINGTON — A former senior officer at the supersecret National Security Agency says he has signed a business agreement with his old KGB adversaries.

Gerard P. Burke, the former official, who now runs a consulting firm, said he had formed a partnership with the Association for Business Security in Moscow, which is run by former Soviet intelligence officers. The association is headed by Viktor Budanov, a retired major general and former chief of counterintelligence for the KGB's external spy services.

The security agency, where Mr. Burke served for 14 years as an assistant director, focuses largely on protecting secret U.S. government communications and in monitoring the communications of foreign governments. It attempts to devise unbreakable codes for the Americans and to decipher the encrypted messages of the others.

Mr. Burke said the new partners would provide a range of services, including couriers for money and precious metals, protection for business executives and their electronic communications, and investigations of prospective business partners in the former Soviet Union.

"We'll cooperate fully and use each other's offices," said Mr. Burke, whose firm specializes in guarding American companies against industrial espionage as well as threats from white-collar criminals and foreign government agents.

He said his company, Parvus, began several business operations in Russia last month, including executive, office and residential protection services, background inquiries, and an investigation of a fraudulent insurance claim in Moscow and St. Petersburg.

Mr. Budanov, reached by phone in Moscow, said he and his former colleagues in Soviet intelligence were becoming "more and more open" in their activities and were "trying to build a free market."

The former intelligence officer said his association included more than 40 firms employing former officers from a variety of Soviet spy services. Many of them were thrown out of work when the Soviet Union collapsed but have found new jobs offering protective services to the growing private sector.

(WFP)

'Motor Voter' Bill Does a Victory Lap In House

WASHINGTON — The House has passed and sent to the Senate legislation to make it easier to register to vote.

The so-called "motor voter" bill would require most states to allow citizens to register when they apply for driver's licenses and unemployment or welfare benefits. Most states would have to permit registration by mail. States also would be required to register voters at other public facilities such as libraries and schools.

President Bill Clinton promised during the campaign to sign the bill, which the Senate plans to consider soon. Sponsors said the measure, which passed, 256 to 160, along party lines, would increase voter turnout.

It would take effect in 1995. States that must amend their constitutions would have an additional year to implement the new registration programs.

(WFP)

Baker's (Abridged) Tale to Be Told to Putnam

WASHINGTON — G.P. Putnam has bought the rights to the memoirs of former Secretary of State James A. Baker 3d after intense bidding involving more than a half-dozen publishers.

"James Baker had a very distinguished career as secretary of state, and we're delighted to be working with him on what we know is going to be a very exciting book," the acquiring editor, Neil Nyren, said Thursday night.

Mr. Baker will discuss the fall of the Soviet Union, the making of the coalition that fought the Gulf War, and his role in bringing together the Israelis and the Palestinians, among other topics. He is not expected to talk about his controversial stint as manager of George Bush's ill-fated re-election campaign last year.

Putnam is paying in the high six figures for rights to the book in North America, sources said.

(WFP)

Quote-Unquote

Judge Kenneth Conboy, of the U.S. District Court in Manhattan, on his colleague, Judge Kimba M. Wood, who is said to be the president's choice for attorney general: "She has already more than prepared herself with five years on the bench presiding over a series of criminal cases. She'll have no problem being a leading prosecutor."

(NYT)

Away From Politics

- About 400 cheering people greeted armed Coast Guardsmen answering a distress call about a hijacking when they boarded a merchant vessel about 1,500 miles southwest of Hawaii. The people — possibly smuggled immigrants — were crammed into the hold of the freighter East Wood near the Marshall Islands.
 - The man suspected of driving the getaway car in the \$8.2 million robbery of a Brooklyn armored car company in December turned in three confederates, gave away the hiding place of the bulk of the loot and confirmed what investigators had believed all along, that it was an inside job, U.S. officials said.
 - A tyrannosaur fossil seized by the FBI in May from a South Dakota dealer belongs to the federal government, a U.S. district judge has ruled. The case centers on the most complete and best preserved tyrannosaur fossil ever found. The case is being closely watched by paleontologists, fossil dealers, museum officials and lawyers concerned about the legality of the removal of fossils from government land. The fossil was found on an Indian reservation.
 - New details emerged on the deaths of a robber and the hostage he took in New York. Three suggested that police officers were forced to fire because the gunman had been shooting at them during a four-block chase. In addition, the time that passed between the moment the gunman grabbed his hostage, Aurea Bonnie Vargas, a teacher, and the time they were shot by the officers was no more than 90 seconds, far less than originally thought, according to the police.
 - Yale has named Richard Brodhead as dean of Yale College. He had been chairman of the English Department. With his appointment, Yale has filled the second of three top positions vacated in the spring amid controversy over budget and reorganization. The university named Judith Rodin, the former dean of the graduate school, as provost, and it is paring down a list of candidates for president.
 - Premier Robert Bourassa of Quebec will be admitted to a hospital in the United States on Saturday to begin experimental cancer treatment by injections of the interleukin-2 vaccine.
- AP, NYT, Reuters

President Signs Bill For Medical Job Leaves

By Robert C. Siner
International Herald Tribune

WASHINGTON — President Bill Clinton marked the first legislative triumph of his presidency Friday, signing into law a bill that guarantees workers up to 12 weeks of unpaid leave a year to deal with family medical emergencies.

"I'm proud that the first bill I have to sign truly puts people first," Mr. Clinton told an approving crowd of invited guests at a Rose Garden ceremony.

The president used the nationally televised occasion to underline a campaign promise swiftly fulfilled — just 16 days into his administration — and to make the point that with both ends of Pennsylvania Avenue in the hands of the Democrats, the deadlock between the president and Congress had been broken.

So did Vice President Al Gore, who said, "Today marks the end of gridlock and a new beginning."

But Mr. Clinton and Democratic congressional leaders emphasized the bipartisan nature of the bill and went out of their way to praise Republican members of Congress who were helpful in its passage.

While thanking Congress for "moving expeditiously" on the family-leave bill, Mr. Clinton reminded it that this was only a first step.

"There's a lot more we need to do," he said, including a budget that will "revitalize the economy and shrink the deficit," welfare reform, tougher enforcement of child support laws, and an increase in the income-tax credit and a universal child-immunization program.

The leave bill was sent to Mr. Clinton after the House gave final approval to the measure Thursday night by a vote of 247 to 152. The bill cleared the Senate earlier in the evening by a bipartisan vote of 71 to 27.

The House, which passed a similar bill late Wednesday night, had to take a second vote because the Senate version included a statement about homosexuals in the military.

That statement is a bland declaration backing two elements of the compromise between Mr. Clinton and Senator Sam Nunn, Democrat of Georgia, who is chairman of the Armed Services Committee, on the president's proposal to lift the ban on homosexuals in the military.

It endorses Mr. Clinton's order to the Defense Department last week to study the issue and its implications, and it directs the Senate panel to hold hearings on the issue, which Mr. Nunn had already announced he would do. But it lets stand the president's decision to stop asking prospective recruits whether they are homosexuals.

The family-leave bill was vetoed twice by President George Bush, who said it would impose unnecessary costs on businesses. It would require employers to give workers up to 12 weeks of unpaid leave to deal with birth, adoption or a serious illness affecting themselves or members of their immediate families. Employers would have to maintain health insurance coverage.

The bill, which would cover employees of companies with 50 or more workers as well as federal, state and local government employees, embraces about half of the nation's work force. It would take effect six months after it is signed by the president.

(WFP)



Mr. Clinton shooting a hoop at a White House ceremony for women athletes. Watching were Lynette Woodward, left, the first female Harlem Globetrotter, and Nancy Hogshhead, an Olympic swimmer.

HILLARY: Doing Domestic Chores for the Nation's Home, Not Her Own

(Continued from page 1)

hour, she mostly listened, as various senators made their points.

In her remarks afterward, she stressed her intention to continue in the role as the administration's ambassador to Congress on this issue, praising the senators and saying that "on behalf of the president," she was "looking forward to working with them to come up with a piece of legislation."

She exhibited a feel for salesmanship in some of her comments. "I think that people know there's a problem," she said. "I mean people who have been denied health insurance because of a pre-existing condition, who cannot change jobs, because if they do they lose the insurance for their spouse or their child, people who are laid off and lose their benefits, people who are in the 100,000 Americans a month who lose their health insurance, people who have to wait in long lines to immunize their children. I think Americans know we have a problem."

Speaking to reporters later, White House aides left no doubt that Congress, and the public, would see more of the same in the coming weeks and months.

Top Clinton Adviser Urged Ex-Clients To Maintain Ties

By Keith Bradsher
New York Times Service

WASHINGTON — Robert E. Rubin, a former co-chairman of Goldman Sachs & Company who is President Bill Clinton's top economic adviser, sent letters to many of his clients in December urging them to continue doing business with the investment banking firm and to stay in touch with him at the White House.

A copy of one of the letters, on Goldman Sachs stationery and signed by Mr. Rubin, assures a Japanese client that Goldman Sachs can continue to work closely with the client despite his departure.

"I am confident that Goldman Sachs will continue to work as well or even better with" the company, Mr. Rubin wrote, "given the strength of trust and the bond of mutual respect between our organizations." The three-paragraph letter concludes, "I also look forward to continuing to work with you in my new capacity."

Mr. Rubin said in an interview that he had sent "many" such letters, but he refused to provide a precise figure. He said the statements were social phrases intended to encourage cooperation between private industry and government and were not intended to encourage any improper contacts.

"What it meant was, it's in the interest of the U.S. government to work constructively with everybody," Mr. Rubin said.

Dee Dee Myers, a White House spokeswoman, said the letter did not violate federal ethics laws or regulations.

But the letter illustrates the looseness of government regulation on contacts between administration officials and their former clients, said Charles R.E. Lewis, executive director of the Center for Public Integrity, a nonprofit re-

search organization in Washington. He said it created at least the appearance of a conflict of interest.

Mr. Rubin's correspondence also shed some light on his extensive dealings in a rarefied circle of international business and finance. Mr. Rubin, the head of President Clinton's new National Economic Council, is not subject to Senate confirmation. He has not yet filed his financial disclosure forms with the federal government.

An adviser to the Japanese executive who received the letter provided a copy on condition that neither the executive nor his company be identified.

Mr. Rubin also said in the letter, "I hope I can continue to rely on your interest and support as I move from Broad Street in New York to Pennsylvania Avenue in Washington, D.C., and would be grateful for whatever suggestions you would offer."

A federal lawyer who had read the letter and who spoke on condition of anonymity, said it didn't appear to "raise any kind of specter of a violation of law or regulation."

Philippine Rebels Free 2 Spanish Nuns Unhurt

MANILA — Renegade Muslim guerrillas freed two Spanish nuns unhurt and without ransom Friday after holding them for 20 days at a southern Philippine mountain hideout.

Sister Julia Foraster and Sister Fatima Urbarren flew to Manila on a Philippine Air Force plane after they were turned over to the Libyan and Palestinian ambassadors at a guerrilla stronghold outside Jolo town in the Sulu islands.

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Counterview on Reach of AIDS

U.S. Study Suggests Disease Won't Touch All of Society

By James Gerstenzang
Los Angeles Times Service

WASHINGTON — Disputing the widely held belief that the AIDS epidemic will eventually reach deeply into all elements of American society, a study by the National Research Council has determined that the disease will have only limited impact on much of the nation.

Fewer segments of the population will ultimately be touched by the disease because it is concentrated in "socially marginalized" groups, said the report, drawn up by a panel of experts representing such diverse disciplines as public health, sociology, and religion.

The report predicted the epidemic would "disappear" not as a result of medical advances, "but because those who continue to be affected by it are socially invisible, beyond the sight and attention of the majority population."

The findings were not meant to suggest that AIDS should be treat-

ed less seriously by health and government officials or the public. Rather, the report sought to analyze the actual effects of the disease and to measure them against the predictions made by health professionals and AIDS activists as the disease emerged in the United States.

"Predictions of the imminent collapse of the health care system due to the epidemic, for example, now look shrill," the report said. But conversely, it said, "hopes that the epidemic would force the country toward more rational and equitable reform of the system now also seem unrealistic."

The study was based to a large extent on studies of the AIDS impact on New York City, which it called "one epicenter of the epidemic." Although "certain confined areas and populations have been devastated and are likely to continue to be," the report said, "many geographical areas and strata of the population are virtually untouched by the epidemic and probably never will be."

"Instead of spreading out to the broad American population, as once feared, HIV is concentrating in pools of persons who are also caught in the 'synergism of plagues': poverty, poor health and lack of health care, inadequate education, joblessness, hopelessness and social disintegration converging to ravage personal and social life," the report said.

Although reluctant to comment extensively because she had not seen the study, Dr. June Osborn, chairwoman of the National Commission on AIDS, said that although the National Research Council "characteristically does things carefully it sounds like things have gone awry."

It is difficult to understand, she said, that "an epidemic that will kill one and a half million people" will have an impact that "is less than we thought."

"It's going to take a lot to shake me from the conclusion" that the impact of the disease will not be widely felt, said Dr. Osborn, who is dean of the School of Public Health at the University of Michigan.

WEEKEND: Getting Personal

(Continued from page 1)

strongly emphasized, a participant said.

If the Saturday session was unique to the Clinton administration, the Sunday session was not. All presidents seem to fret about leaks to the media, and Mr. Clinton is no different. One aide said Mr. Clinton was "more rabid on the subject than anyone you've seen in Washington in a long time."

Sources said the White House communications director, George Stephanopoulos, read newspaper stories that displeased him and suggested, one participant said, "that policy options should not be debated in the newspapers."

Another called the performance "an unmistakable message not to talk to you guys."

The message was clear enough to Paul Begala, a campaign adviser. Asked about the weekend, he said: "That was probably the first and last time in my whole life I will be at Camp David. I will tell you only one thing, one thing about it, I stole a coffee cup."

Mr. Begala said he wanted a souvenir and "the president said it was all right."

Akihito Plans U.S. Visit

TOKYO — Japanese Emperor Akihito and Empress Michiko are to visit the United States next year, the Yomiuri Shinbun said Friday.

The trip, expected to take place late next year, would be the first to the United States by a Japanese emperor since that of Hirohito in 1975.

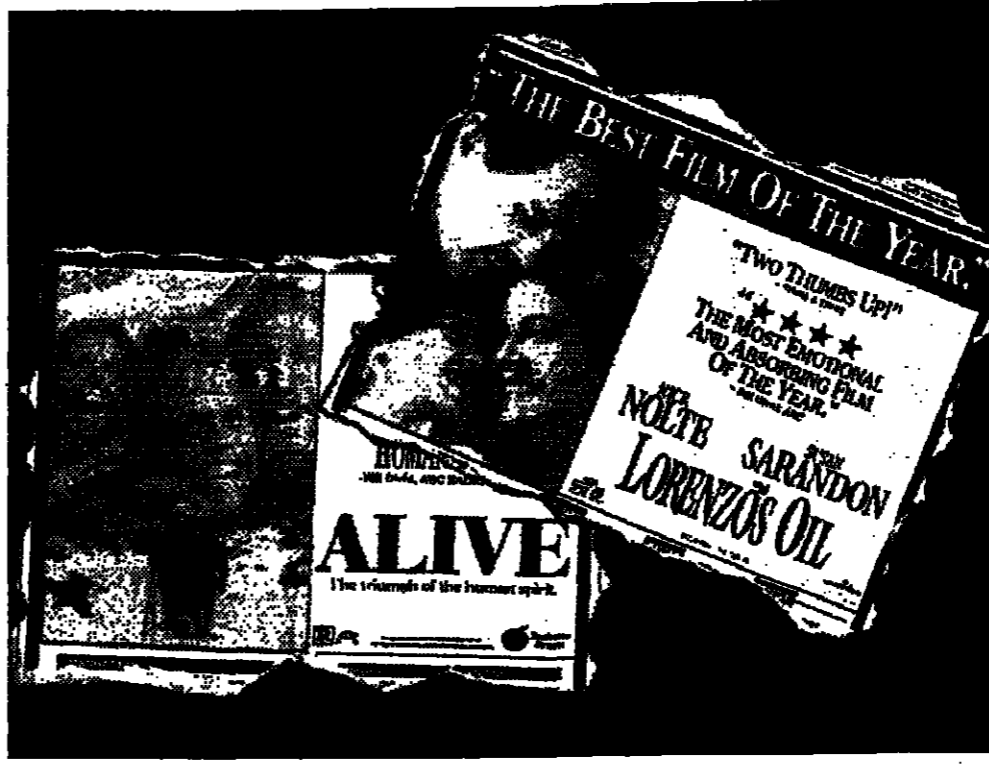
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Clinton May Ditch 2 Pet Science Projects

WASHINGTON — Anxious to find more ways to cut the federal budget as part of its economic program, the Clinton administration is considering scrapping two of the nation's premier science projects, the space station and the supercollider, administration officials said Friday.

To do that, the budget director, Leon E. Panetta, wants to cut two dollars in government spending for every dollar that the administration tries to raise in new taxes. That would mean cutting about \$100 million in spending by 1997. To accomplish that requires draconian measures, and the cutting of pet projects like the space station and the supercollider.



SMILES: Movie Ads Make Film Misery Look Like Fun

(Continued from page 1) ailments that loom large in the film themselves. The image of a dancing Al Pacino for "Scent of a Woman" hardly suggests that the character is sharp-tongued, suicidal and blind. And for "Fission Fish," the wheelchair is magically banished as Mary McCormack's newly paralyzed character is seen seated in a motorboat. Big smiles for all of

Back Plan For Bosnia, Germany Tells U.S.

WASHINGTON — Foreign Minister Klaus Kinkel of Germany has urged President Bill Clinton to accept the peace plan for Bosnia being worked out by international mediators and appealed for close cooperation with Germany on assisting Russia and other East European countries.

Mr. Kinkel, who met with Mr. Clinton and other officials Thursday, was the first foreign minister to be received by Mr. Clinton. Mr. Kinkel said he did not want to press the Americans and did not know when they would reach a decision on the Balkans war.

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Alexander Schneider, Violinist, Dies

New York Times Service NEW YORK — Alexander Schneider, 84, the violinist, conductor and teacher who was one of the last links with the Romantic tradition and a mentor to several generations of American musicians, died of heart failure Tuesday at his home here.

Fighting on Several Fronts As Muslims Hit Serb Lines

Compiled by Our Staff From Dispatches ZAGREB, Croatia — Bosnia's warring ethnic factions battled Friday on several fronts after the republic.

BOSNIA: U.S. Backs Off

(Continued from page 1) defensive for the way in which it has distanced itself from the Vance-Owen initiative without having an alternative of its own.

PERSONALS

- CONGRATULATIONS TO John & Isabelle PASHANIER on the birth of their son ALEXANDRE MARC EDWARD... ANNOUNCEMENTS SOS HELP ENGLISH-SPAKINGING... FRIENDSHIPS EDITH BRIGITTA FAHRENKROG... ANNOUNCEMENTS VALENTINE MESSAGE CONTEST... INTERNATIONAL COMMUNITY CHURCH... MOVING AGS... BUSINESS OPPORTUNITIES... REAL ESTATE FOR SALE... REAL ESTATE TO RENT/SHARE... AUTOS TAX FREE... HOLIDAY RENTALS... GOING ONCE, TWICE, SOLD!!! INTERNATIONAL ART EXHIBITIONS AUCTION SALES... COLLEGES & UNIVERSITIES... NANNIES AND DOMESTICS... POSITIONS WANTED... POSITIONS AVAILABLE... BOOKS... To our readers in Switzerland...

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Israelis List 10 Deport Group Reje... A Partial Re... Mob... Marines in Mogadi... MONROE INTERNATIONAL... POSITIONS WANTED... POSITIONS AVAILABLE... BOOKS... To our readers in Switzerland...

Back Plan For Bosnia Germany Tells U.S.

WASHINGTON — German Foreign Minister Klaus Kinkel told U.S. Secretary of State Warren Christopher on Saturday that Germany is ready to support a U.S. plan to send 10,000 troops to Bosnia to help the United Nations peacekeeping force there.

Kinkel said that Germany would support a U.S. proposal to send 10,000 troops to Bosnia to help the United Nations peacekeeping force there. He said that Germany would support a U.S. proposal to send 10,000 troops to Bosnia to help the United Nations peacekeeping force there.

BOSNIA U.S. Backs It

WASHINGTON — The United States has agreed to back a plan to send 10,000 troops to Bosnia to help the United Nations peacekeeping force there.

The plan was announced by U.S. Secretary of State Warren Christopher on Saturday. It would involve sending 10,000 troops to Bosnia to help the United Nations peacekeeping force there.

Mobs Assail Marines in Mogadishu

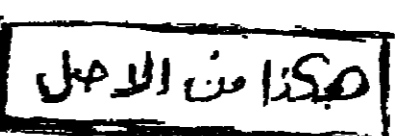
WASHINGTON — A mob of Somali men attacked several U.S. Marines with rocks and chunks of concrete Friday after rumors swept through the capital that American forces had killed several Somalis in a gunfight.

The mob, in which the crowd of Somalis injured two Marines, was the largest show of outright hostility yet against U.S. forces in Mogadishu, where tensions have continued to escalate between belligerent young Somali men and troops.

INTERNATIONAL ART EXHIBITION AUCTION SALES GUIDE IN SATURDAY

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INTERNATIONAL ART EXHIBITION AUCTION SALES GUIDE IN SATURDAY



Israelis List 101 Deportees

Group Rejects A Partial Return

Compiled by Our Staff From Dispatches
JERUSALEM — Israel gave the Red Cross a list Friday naming 101 Palestinians who will be permitted to return to Israel after seven weeks in exile in Lebanon, the Defense Ministry said.

The deportees, however, immediately refused to leave southern Lebanon unless all of them were included in the deal.

"We'll even refuse to receive the list of names from the Red Cross or any other party," said Abdulhaziz Rantisi, a spokesman for the Palestinians camped out in a no-man's land above Israel's northern border.

The Israeli step came amid strong U.S. efforts to orchestrate a resumption of Middle East peace talks by April. Secretary of State Warren M. Christopher is scheduled to begin his first Middle East tour Feb. 17 and wants his mission to focus on peace talks rather than on Israel's expulsion of the Palestinians.

A Foreign Ministry spokesman said Mr. Christopher wanted the talks, which have been suspended since the deportations, to resume in mid-April after the Muslim and Jewish observances of Ramadan and Passover.

Israel sent 415 Palestinians out of the country Dec. 17 for up to two years in response to the murders of six Israeli troops that month.

The men were accused of supporting the Muslim fundamentalist Hamas and Islamic Jihad movements that Israel blamed for killing the troops.

If some of the men do agree to return, they would be brought to Israeli jails or detention centers for questioning, said a Defense Ministry spokesman, Oded Ben-Ami. Israel has said those who were in prison before being deported will probably be returned to jail.

Mr. Ben-Ami declined to release the list of names, saying families of the deportees would be informed by Israeli military officials in the occupied West Bank and Gaza Strip.

Hanan Ashrawi, spokeswoman for Palestinian negotiators in the Middle East, dismissed the news.

"The central issue has not been resolved yet," she said, adding, "You have 300 who are not allowed to come back." (AP, Reuters)

WASHINGTON — The United States has agreed to back a plan to send 10,000 troops to Bosnia to help the United Nations peacekeeping force there.

The plan was announced by U.S. Secretary of State Warren Christopher on Saturday. It would involve sending 10,000 troops to Bosnia to help the United Nations peacekeeping force there.



AMERICANS IN THEIR OWN LAND — Filipinos who fought alongside U.S. troops in World War II taking the oath of citizenship to become Americans. The ceremony at the U.S. Embassy in Manila on Friday marked the first instance of naturalized U.S. citizens taking the oath outside the United States. More than 200 veterans, some as old as 80, were given American citizenship.

Peace Plan for Cambodia 'Is Dead,' an Adviser to EC Says

Agence France-Press
PHNOM PENH — Cambodia's comprehensive peace plan is defunct, and war with the Khmer Rouge is inevitable, a consultant advising the European Community and Cambodia's nongovernmental organizations said Friday.

"One can say now that the agreement is dead," said Raoul Jenner, a consultant based in Brussels.

Mr. Jenner's reports on the Cambodian situation are considered a voice of conscience, while other foreign observers — the UN peacekeeping mission and the diplomatic corps — are restrained in their comments by political considerations.

"It seems difficult to have a recognition of the failure of their settlement by the big powers," he said at the end of his 11th fact-finding mission to Cambodia. "I don't see another way except war."

Throughout the years of negotiations that hampered out the peace records, the United States, China and their allies continually pushed for a "comprehensive" settlement, meaning one that included the Khmer Rouge

despite their fanatical 1975-1979 reign that killed more than a million Cambodians.

"It was the magic word, 'comprehensive,'" he said. "The comprehensive character of the peace agreement has failed."

The Khmer Rouge has never cooperated with UN peacekeepers trying to carry out the peace agreement signed by the four factions in October 1991 in Paris.

Months of diplomatic maneuvering, and persuasion by their former backer, China, have failed to bring them into the process. "Let's let the Khmer Rouge become outlaws or rebels," Mr. Jenner said, and enforce the building of "democracy and the building of rehabilitation of the country."

He said that Cambodia — like other Southeast Asian countries, including the Philippines, Thailand, Malaysia and Indonesia — would have to resign itself to dealing with an insurgency following the elections.

New Constitution for Japan? A Thirst for Change Faces Strong Resistance

By T.R. Reid
Washington Post Service
TOKYO — If you were asked to list the best-loved passages in modern Japanese writing, the choices would likely include the first lines of the Nobel laureate Yasunari Kawabata's novel "Snow Country" ("The train came out of the long tunnel into the snow country, and the depths of the night turned white...") and the opening words of Natsume Soseki's charming novel "Botchan" ("I inherited a wild streak, and since childhood my life has been nothing but trouble...").

Curiously, though, any list of familiar lines that every Japanese loves would also include a passage written by Americans: the stirring Article 9 of the Japanese Constitution, declaring that "the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as a means of settling international disputes."

That's the most famous line of Japan's "peace constitution," written by U.S. Occupation lawyers and officers and imposed upon this country by General Douglas MacArthur in 1946. Despite its foreign heritage, the constitution so neatly matched the pervasive pacifism of postwar Japan that the document became an untouchable national icon. In the 47 years since General MacArthur brought it forth, not a comma has been changed.

But now, the deluge. As part of the overall thrust for "change" affecting all aspects of Japanese politics these days, academics, citizens groups, and politicians of every stripe are calling for constitutional change.

The general goal is to produce a constitution that sounds and looks like something Japanese people wrote — unlike the current document, which reads like the translation from English that it is.

Specifically, advocates of constitutional change are calling for updating various sections — including the famous Article 9 — to reflect the changing global status of this economic superpower.

ed the advocates of change, including top officials in his own cabinet. A 73-year-old man with acute memories of the agonies Japan brought on itself in World War II, he argues that revisions may risk "repeating the mistakes" of the prewar era.

The prime minister also has to contend with outside pressure — always an important motive force here — pushing for amendment.

Japan, the second-largest financial contributor to the United Nations, feels that its current stature has earned it a permanent seat on the Security Council. But some Japanese leaders — including the current foreign minister, Michio Watanabe — say they cannot legitimately ask for such status until they liberalize Article 9 enough to permit broader Japanese participation in UN peacekeeping efforts.

In that context, recent comments by UN Secretary-General Boutros Boutros Ghali should push the movement for change. In an interview with Japan's Kyodo news agency, he was quoted as saying, "My hope is that the government of Japan will be able to change the constitution."

In recent years, the government has used various interpretations of Article 9 to permit the dispatch of Japanese troops overseas for mine-clearing duty in the Gulf and other tasks. Last year, after an agonizing national debate, the parliament passed a new law permitting Japanese troops to join UN peacekeeping units under certain conditions.

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Bonn Probes France's Jews Welcome a Remembrance

Rightist Acts
Of Troops
By Alan Riding
New York Times Service
PARIS — Often criticized for refusing to apologize for the deportation of Jews from France during World War II, President François Mitterrand is being praised for creating a national day of remembrance of the racist and anti-Semitic crimes carried out by the collaborationist Vichy regime.

The decision, which was warmly welcomed by Jewish leaders here, was seen as an important step in France's gradual admission of the role played by French citizens — as well as by German occupation forces — in the deportation of about 76,000 Jews from France to German death camps.

"We now have an explicit and solemn condemnation of the crimes of Vichy," said Serge Klarsfeld, a French lawyer who heads the Association of Children of Jews Deported from France and has led the fight to bring surviving French war criminals to trial. "We cannot ask for more."

A presidential decree signed Tuesday said that victims of racist and anti-Semitic persecution here between 1940 and 1944 would be remembered in ceremonies throughout the country every year on July 16, the anniversary of the first mass arrests of Jews by French police officers in Paris in 1942.

The decree also said monuments would be put at the site of the cycling stadium where the first detainees were taken in Paris, at one of the camps where Jews were concentrated, and at a house in the Rhone Valley where Jewish children were held before deportation. Commemorative plaques also would be placed in every French department.

The decree was widely viewed as an attempt to appease Jewish and other groups that have accused the French leader of ambivalence toward the Vichy regime and its chief, Marshal Philippe Pétain. Although he worked briefly for Vichy as a young man, Mr. Mitterrand later emerged as an important Resistance figure.

Mr. Mitterrand argued last year that neither the French nation nor the French Republic could accept blame for crimes carried out by a temporary and illegitimate government.

As recently as Nov. 11, he also provoked a storm of protests by having an Armistice Day wreath in his name be placed on Pétain's tomb, the argument being that he was honoring the French military hero of World War I, not the political traitor of World War II.

In contrast, when a French court last year decided that crimes against humanity could not be brought against a Vichy official,

Paul Touvier, the government successfully appealed the ruling.

Jean Kahn, president of the Council of Jewish Institutions in France, said on Thursday that he considered the decision to create a national day of remembrance to represent a full condemnation of the Vichy crimes, "something we have long been waiting for."

Mr. Kahn said he was particularly pleased by the decree because he understood it would also lead to the teaching in schools of both the "shameful" history of the period and of the need for tolerance, "all the more necessary given the recent outbursts of racism, anti-Semitism and xenophobia in Europe."

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Herald Tribune

Cutting Widely and Fairly

The Clinton administration is headed in the right direction with two of its major plans for reducing the federal budget deficit — a sharp cut in defense spending and a reduction in Social Security costs. But the administration cannot afford to flinch as it confronts two of the nation's most powerful interest groups, the military and the elderly.

Great Notions, Real Costs

During his campaign, President Bill Clinton liked to say that investing in his college loan/national service program would amount to "the best money we will ever spend." Unfortunately, Mr. Clinton has discovered that the money is not there.

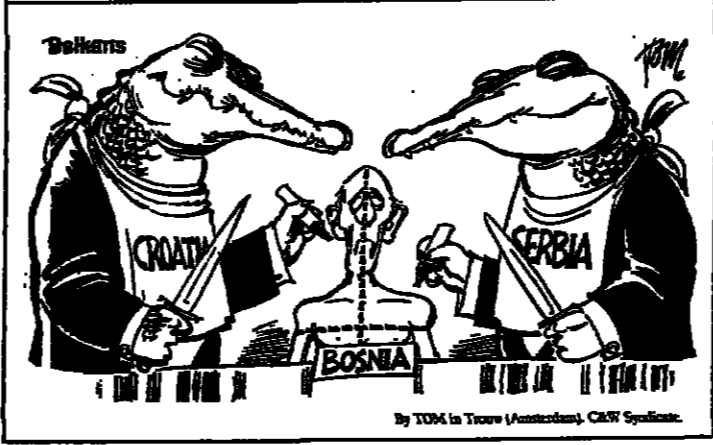
On a Crowded Plank

Baseball claims a special place in America's sporting heart. It also claims special dispensations, including exemptions from the antitrust laws. By any rule of reason, it therefore has a special obligation to behave in the national interest.

Their Plan Could Bring an Honorable Peace

By A. M. Rosenthal

UNITED NATIONS, New York — When everybody is screaming nobody is listening. Rarely have so many American commentators, editorial writers and think-tankers screamed so loud and bitterly at any Western diplomats as they are doing at Cyrus Vance and Lord Owen.



Owen Is Persuasive, but Bosnia Is a Complicated Place

By Anthony Lewis

NEW YORK — Lord Owen got a rousing reception when he came to New York this week to sell his and Cyrus Vance's peace plan for Bosnia. There was criticism from the Clinton administration, Congress, the press. I decided to hear his case.

Dusting Off the Locomotive, Clinton in the Cab

By Hobart Rowen

WASHINGTON — Not a moment too soon, President Bill Clinton has decided that an exploratory meeting of the Group of Seven finance ministers and central bankers is essential to cope with what Michael Camdessus, boss of the International Monetary Fund, has called a global "crisis of confidence."

Spies and Courts: Should They Work Together?

By David L. Boren and Dennis DeConcini

WASHINGTON — Two well-connected arms merchants have a long lunch in a foreign capital. As they wait for the check, Merchant X turns to Merchant Y and says, "I'm confident that the Banca Nazionale del Lavoro in Rome knew about the illegal loans to Iraq from its Atlanta branch."

Consider The Slavic Connection

By William Pfaff

PARIS — A serious and understated aspect of what goes on in the Balkans and in Russia is the rise of pan-Slavism. The Russian authorities have recently made known their increasing uneasiness about the potential political consequences in Russia of any Western military intervention against the Serbs in Yugoslavia.

1993: Unrest in Somalia

ZANZIBAR — According to intelligence received here, much disaffection prevails among the Somalis at the north of the British East Africa Company's coast line. A serious disturbance was provoked by the Somalis, who insulted and struck the Company's agent. The police, assisted by a landing party from H. M. S. Widgeon, endeavored to restore order, but the attitude of the natives became so threatening that they were obliged to open fire, with the result that eight Somalis were killed.

1943: Shake-Up in Italy

PARIS — [From our New York edition:] Premier Benito Mussolini of Italy, in a housecleaning following the loss of Italy's African empire yesterday [Feb. 5] ousted his Foreign Minister son-in-law, Count Galeazzo Ciano, who at one time was considered Il Duce's probable successor. Mussolini himself took over the Foreign Ministry and Ciano was given an empty honorary position in the Fascist Grand Council. Ciano generally is held to be unpopular with the Italian people for several reasons. The richest he has attained through his party and government affiliations are a national scandal. Also, although married to Edda, Mussolini's favorite daughter, Ciano and his wife live more or less separate lives. Ciano is known as a playboy throughout Italy and Europe.

1918: Revolt Is Doubtful

NEW YORK — Mr. James W. Gagarin, the former American Ambassador in Berlin, said he doubted the veracity of the Berlin strike reports. "There is no chance of starving Germans out, and there is also no chance of winning the war by a revolution in that country. Germany manages to feed everybody; the soldiers and the young people get enough to eat."

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairman LEE W. HUBNER, Publisher JOHN VINCIGUERRA, Executive Editor...

Handwritten Arabic text at the bottom of the page.

Consider The Start Connect

The Unearthing Of Ancient Iran

Met's 'Royal City of Susa' Show Sheds Light on Distant Cultures

NEW YORK — At wide intervals, an exhibition conceived as a low-key affair turns out to be a major event that reshapes our approach to the art involved. The display of 127 works of art excavated in Susa, in southwestern Iran, on view at the Metropolitan Museum until March 7, is one of those.

The show, called "The Royal City of Susa," could not be simpler in concept. It starts around 4000 B. C. and ends with the Achaemenid dynasty, which ruled the first Iranian Empire from the time of Cyrus the Great (559-530 B. C.). Susa became one of the three empire capitals after having been

Souren Melikian

the capital of Elam, a powerful if still elusive culture of the Ancient East that spread over the province of Khuzestan between the late third millennium B. C. and the seventh century B. C.

Excavated by the French during much of the 20th century, its palatial remains and objects of art were massively carried off to the Louvre. The idea of displaying in New York the best of the collection came to Prudence Oliver Harper, curator of Ancient Near Eastern Art at the Metropolitan Museum, when she realized during a visit to the Louvre in 1989 that the objects would all be out of sight for years while the Louvre renovation goes on.

To the Louvre, renowned for its unwillingness to make loans, the Met offered to restore, free of charge, some bas-reliefs and objects in urgent need of conservation and to finance the catalogue. This will serve later, in a French version, as a catalogue to the Susa collection. In return, the Met would retain on indefinite loan two panels of the famous Achaemenid frieze from the Susa palace of which not one remains in Iran but many gather dust in storage in Paris. The Louvre gave the go-ahead.

What few may have expected is the shock of discovering objects hitherto treated all too often as "archaeological documents" in murky light and now displayed as works of art. In a setting that has the elegant restraint typical of the Met designers, with space around them that allows the visitor to focus on every piece in uncluttered cases, the effect is startling. It is like discovering one culture after the other amid unresolved enigmas made more intriguing by the splendor of some of the works.

If little is known about the Elamites, who preceded the Iranians and spoke a non-Indo-European language that is only partly understood, no information whatsoever is available about the earlier human groups. They produced masterpieces such as the terra-cotta beaker of circa 4000 B. C. with which the show begins.

Displays feature that were to recur throughout the history of Iranian art. These are a powerful sense of linear stylization and rhythmic construction. The silhouette of a mountain post enclosed in a panel, like some tabeau, is handled with a calligraphic feel for flowing curves. The color scheme, sepia brown on ivory ground, offers an uncanny anticipation of the calligraphic pottery of the 10th century. Coincidence or continuity? Probably the latter, through countless avatars that will have to be charted by future generations of archaeologists.

Some time in the late fourth millennium B. C. another kind of animal art developed. The French art historian Pierre Amiet noted, apropos of a small alabaster bear seated

on its hind legs hugging a beaker with its paws, that animals are given a human expression. That again is a trait found several millennia later in book painting and metalwork motifs of the Islamic period. Some of these animal sculptures have a modernity that is astounding. A predatory bird, 10.5 centimeters (4.125 inches) high, is shown in a crouching position, its bill plunging forward as if about to swoop down from its perch. Everything is suggested in a few curving volumes.

How Elamite culture emerged against this backdrop is unknown. Its early third-millennium sculpture has a brutal primitivism that markedly differentiates it from the art of neighboring Sumer in the south of present-day Iraq. Equally obscure are the conditions that led to what might be termed Elamite Classicism. Its ultimate masterpiece, hitherto reproduced only in scholarly studies, is revealed to the public for the first time. The tiny seashell sculpture, only 9.4 centimeters high, is easily missed. A woman stands, hands clasped in prayer, a figure of timeless dignity in her long robes, with a drape falling over her left shoulder. The perfect proportions have a monumental quality.

Indeed it bears a striking resemblance of the life-size statue of Queen Napir-Asu cast in bronze in the 14th century B. C., some 500 years later (assuming that the seashell sculpture is correctly dated). The heavy silhouette of an older woman stands similarly in the attitude of deferential attention observed to this day in the Iranian world, the left hand pressing the right wrist. Now missing its head, it was recovered from the remains of a temple. Little is known about the metaphysics that lay behind the deep religious feeling exuding from the figure in prayer.

The enigma posed by the rite celebrated in a scene cast in bronze on a large square plaque of the 12th century B. C., where two men crouch in the nude, facing each other, only thickens the mystery. The crouching men appear amid monuments, stumps of trees and other details, including a huge jar, that defy interpretation. The Elamite inscription begins "I, Shilhak-Inshushinak... have made a bronze sunrise..."

SEEN in the perspective of mankind's cultural history, the greatest mystery of all concerns the merging of Elam into the Iranian empire in the making. It must have been a gradual process started long before the setting up of the empire.

Yet, Achaemenid art appears all of a piece in the sixth century B. C., fully constituted and displaying virtually the same characteristics as in Persepolis. Whether carved in stone at Persepolis or molded in bricks at Susa, the animals in low relief owe as much to the art of northern Iranian metalworkers creating their gold, silver and bronze vessels in the early first millennium B. C. The admirable bronze lion in the show comes from Susa but projects in three-dimensional form the stylization known from the Persepolitan bas-reliefs. The famous Susa archers remain close to Persepolis sculpture. Molded in glazed bricks, they simply miss the enigmatic smiles with closed lips that make the best of Persepolitan bas-reliefs unforgettable.

These questions are not raised in the show, which leaves the name of Iran out of its title altogether. No attempt was made to borrow works from Shush, to give Susa its Persian name, nor Tehran. The great exhibition dealing with the birth and early development of the culture that colored all others in the Middle East, as China did in the Far East, has yet to see the light of day.



Souren Melikian

An Achaemenid bronze lion, late sixth to early fifth century B. C., projects the stylization known from the Persepolitan bas-reliefs; Elamite bronze statue of Queen Napir-Asu, 14th century B. C., recovered from the remains of a temple.



Impressionist Treasures Prepare to Meet the World

By Lawrence Malkin
International Herald Tribune

PHILADELPHIA — Imagine stumbling into a King Tut's tomb of Cézanne, Renoir, Matisse, and many, many more of the world's Impressionist masterpieces. There they hang before your amazed eyes. But until very recently hardly anyone was able to see them, under the terms of the will of their collector, Dr. Albert C. Barnes, a cantankerous American millionaire.

The gallery is set in an arborescent of rare trees in a neighborhood of million-dollar houses on the edge of Philadelphia. In the entry hall a visitor confronts Cézanne's painting of five card players, the most complex of the master's treatments of this classic theme. Above it hangs a masterpiece of Seurat nudes, one of only three life-size pointillist paintings by the artist (the others are in Chicago's Art Institute and London's Tate Gallery). Overhead is a lyrical Matisse mural designed for the Barnes Collection, and across the room is another grand Cézanne, a landscape with nudes.

The 800 paintings crowded into this suburban Uffizi gallery literally climb the walls. There are 171 Renoirs and 57 Cézannes — more than in all of Paris — 54 Matisse, 19 mainly rose- and blue-period Picassos, and 8 van Goghs, as well as the best American collection of Soutines. Hidden in a stairwell is Matisse's Fauve masterpiece, "Bonheur de Vivre" (The Joy of Living), to which the Matisse family made a special pilgrimage last year before visiting the great retrospective in New York. The painting, like all works in the Barnes Collection, was forbidden to travel.

THE collection was turned into a foundation in 1922 by Barnes, who was the inventor of a nostrum against childhood infections, the rights to which he can only sell shortly before the discovery of penicillin. He left the collection badly endowed and badly administered after his death in 1951, and it fell into the hands of followers who formed a protective cult. Few visitors were admitted, and color reproductions of the paintings were banned. The paintings existed outside the awareness of the mainstream of the art world.

But all this is about to change because, as with so much else in art, money talks. New trustees have broken Barnes's will. After an abortive proposal to sell some lesser works to finance renovation of the obsolete electrical, air conditioning and other facilities, the trustees agreed on a two-year tour for 80 Barnes masterpieces.

It starts at the National Gallery in Washington on May 2, then moves to the Musée d'Orsay in Paris on Sept. 6, and the Museum of Western Art in Tokyo on Jan. 21.

The Paris and Tokyo museums have guaranteed more than \$7 million to the Barnes Foundation. Exhibitions are also being considered for Germany and Italy before the show returns to Philadelphia. A catalogue of the paintings, for which the museum has received a \$700,000 advance, is being published in English and French.

The French museum's director, Françoise Cachin, still recalls the shock of her first visit to the Barnes Foundation as a student a quarter-century ago, when she had to apply far in advance and wait in line early



De Chirico's "Portrait of Dr. Barnes."

in the morning in the hope of gaining admission.

"It was such an extraordinary surprise," she said. "Marvelous art in that strange place, so out of the times, especially when every museum in the world looks like every other."

Barnes's Paris dealer, Paul Guillaume, recalled being bombarded with Barnes's "indefatigable, insatiable" questions about artists and their work. Guillaume wrote in 1923 that "this extraordinary, democratic, passionate, inexhaustible, charming, impulsive, generous, unparaleled man" avoided all social calls, parties and official receptions in Paris but "went everywhere, saw everything that the dealers and the artists and the collectors had to show to him."

But like so many Americans who seem to be uncomfortable with mere sensibility, even one as refined as his, Barnes felt forced to rationalize it into a supposedly objective philosophy of art. He distilled educational notions from his friend, the pragmatist John Dewey, and ideas of "significant form" from the English critics Clive Bell and Roger Fry into something he called his "theory of central painting."

In his museum the canvases are hung according to complementary color schemes or compositions, giving only the artist's last name but no date or title, and there is no catalogue. They are studied in special classes like great disembodied philosophical ideas without reference to their subject matter or even their history. And the walls are studded with hinges, locks and other products of the blacksmith's craft in a sort of populist commen-

tary on the relative value of artisans and artists.

An autodidact in the American grain, Barnes quarreled with the local art establishment because it ridiculed his great collection at its first exhibition in 1923, before Impressionism became fashionable. He retaliated by dedicating his gallery to "the plain people in shops and factories" and refusing invitations to artists, students, great collectors like Walter P. Chrysler.

Control of the foundation was left under Barnes's will to the trustees of Lincoln University, a black liberal arts college. As the foundation's director, the university in 1990 picked Richard H. Glanton, a plain-spoken corporation lawyer who calls Barnes's educational ideas "hokum" and who is determined to open up the collection in an age when more Americans now visit art museums than go to baseball games.

GLANTON spent the first year of his directorship caught in the cross fire between Barnes cultists, whom he forced out and who now are suing him, and the American art establishment, which rejected him as an unschooled interloper. When Cachin traveled to Philadelphia in 1991 to offer help, he seized on it.

"The French are more concerned with academic credentialism and less with social exclusivity underwritten by the pure money of the nouveau riche," Glanton said in a recent interview at the collection, with a de Chirico portrait of Barnes looking down on him. If you listened carefully, you could also hear echoes of Albert Barnes's voice as his masterpieces go out to the world.

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PRE-COLOMBIAN ART

Met Display Of Drawings

NEW YORK — One of the world's great museums of Old Master drawings and engravings is at last lifting the curtain on its treasures.

In the permanent gallery, which opened on Jan. 13 at the Metropolitan Museum, works will be presented on a rotating basis every two months. Philippe de Montebello, director of the Met, said the idea was to show the works for their own sake, as they might be in a private collection. "These are not theme exhibitions."

The intention is underlined by the setting and its decor, grainy beige fabric on the walls, pale brown velvet on the floor. The hanging is admirably balanced, with the drawings at eye level, occasionally one above the other.

The current show is summing. The eye roams from Rubens to Rembrandt, from Michelangelo to Veronese. Recent acquisitions are displayed, such as the study for the head of a woman looking up (Judith) by Guido Reni.

Beyond the drawings, the engravings section has marvelous impressions of famous prints by Pollaiuolo, Piranesi and, among others, three different states of Rembrandt's "Christ Crucified Between the Two Thieves."

The Robert Wood Johnson Jr. Gallery, as it is combersomely called, will soon become a celebrated venue among connoisseurs from all over the world.

Souren Melikian

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Saturday, 20 February
Room 9 at 11 a.m. and 3 p.m. A BACCHIC LIBRARY. Collection of KILLIAN FRITSCH. Public viewing only at LOUDMERS from 11 to 13 February, 10 a.m. to 1 p.m. and 2 p.m. to 6 p.m. From 15 to 18 February, 10 a.m. to 1 p.m. and 2 p.m. to 6 p.m., on 19 February 10 a.m. to 1 p.m. Catalogue on request at auctioneers: FF 750, mail order: FF 780, Europe: FF 830, other countries: FF 900. LOUDMER, 7, rue de Rossini, 75009 Paris. Tel: (1) 44 79 50 50. Fax: (1) 44 79 50 51.

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- CARPELIS
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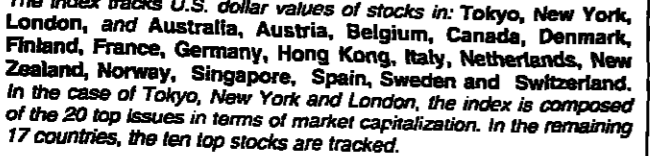
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Table with 3 columns: Asia/Pacific, Europe, N. America. Includes sub-tables for Industrial Sectors like Energy, Utilities, Finance, Services.

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

Japan's Surplus Masks Weakness

By Paul Blustein
TOKYO — For the second time in two weeks, Japan released figures Friday showing that its trade surplus surged to record levels last year. The latest figures, like the earlier ones, appear sure to exacerbate frictions between Tokyo and its trading partners.

Kodak Cuts: Giving Foreigners a Bad Name?

By Andrew Pollack
TOKYO — When Eastman Kodak Co. opened its laboratory in Yokohama in 1988, it was in the vanguard of a movement by U.S. companies to expand research and development in Japan.

Lord King Bows Out Early at British Air

By Richard W. Stevenson
LONDON — British Airways said that its chairman, Lord King, had stepped down on Friday, five months earlier than planned, and that he had been succeeded by Sir Colin Marshall, the airline's chief executive.

American Air Weighs Returning Planes to Airbus

Compiled by Our Staff From Dispatches
NAPLES, Florida — Loss-plagued American Airlines is considering returning more than two dozen jetliners to Airbus Industrie and closing two hubs, moves that could lead to big layoffs, top executives of the airline said Friday.

Job Losses Cloud Joy of Lower German Rates

By Brandon Mitchener
FRANKFURT — Bundesbank and government officials on Friday welcomed signs of a positive shift in Germany's long-term economic prospects even as a dramatic rise in unemployment made it impossible for them to trumpet any short-term turnaround.

The number of unemployed in all of Germany rose more than 10 percent to 3.45 million in January, from 3.12 million in December, due to winter weather, a weak economy and an expanding labor pool, said Bernhard Jagoda, head of the Federal Labor Office in Nuremberg.

BRUSSELS — Wanted for key EC task, person with brisk telephone manner and ability to say "no comment" to all and any questions including whether own job actually exists. Occasional night work, including weekends.

EC Seeks a Secrets-Keeper

The person, who will replace Andreas Kees on his retirement in the next two months, will have to do his or her best to keep secret the timing and location of even the committee's routine monthly meetings. Emergency gatherings, such as last Saturday's meeting to devalue the Irish punt, are cloaked in still greater secrecy.

ECONOMIC SCENE

Commerce Appointment Marks Tough U.S. Stance

By John Markoff
SAN FRANCISCO — When President Bill Clinton announced the appointment of a supercomputer industry veteran, John A. Rollwagen, as deputy secretary of Commerce last Friday, the move alarmed at least one group: the Japanese.

Technology is certain to acquire greater importance

As chief executive of Cray Research Inc., the dominant producer of supercomputers, Mr. Rollwagen has spent several years jousting with the Japanese government and with computer executives and the news media in Japan, as he has put pressure on that country to open its markets to his company's machines.

KIO Spanish Data Stolen

MADRID — Finance Minister Carlos Solchaga said Friday that transaction records of the troubled Kuwait Investment Office in Spain had been stolen from government offices.

CURRENCY & INTEREST RATES

Table with multiple columns: Cross Rates, Eurocurrency Deposits, Key Money Rates, Other Dollar Values, Forward Rates. Includes various financial data points and interest rates.

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MARKET DIARY

Employment Data Leave Dollar Flat

Compiled by Our Staff From Dispatches LONDON — The dollar slipped Friday in Europe as news of a 108,000 rise in U.S. nonfarm payrolls in January failed to inspire fresh optimism about the economic outlook, traders said.

Investors who had ridden the 6 percent rise of the dollar against the Deutsche mark since the beginning of last week were encouraged to cash in those gains when the employment report provided no fresh news, analysts said.

The dollar crept down to 1.6550 DM in late London trading from 1.6538 on Thursday. The U.S. currency softened to 1.5294 Swiss francs from 1.5325 and to 5.5610 French francs from 5.6375. The pound firmed to \$1.4475 from \$1.4435.

Foreign Exchange

the Deutsche mark since the beginning of last week were encouraged to cash in those gains when the employment report provided no fresh news, analysts said.

JOBS: Pace of Growth Looks Weak

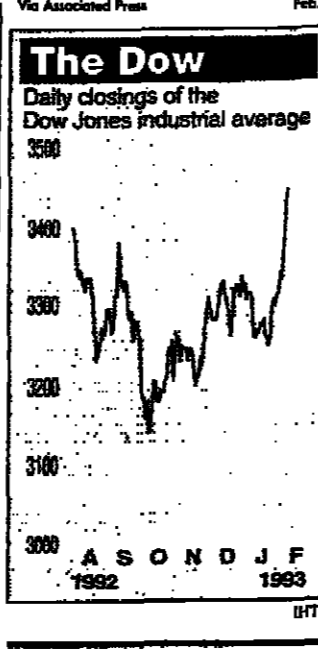
(Continued from page 1) David Wynn of DRI/McGraw Hill said: "This is the lesson of the last recovery for Europe, and it will be the lesson for this one, even in Japan. Employment gains will be hard to come by, and manufacturing will not be a major job creator because it is migrating south to places like Brazil and Southeast Asia. The new jobs are in high technology areas like pharmaceuticals and information technology. Europe has not come to terms with this and is still trying to protect its industries."

N.Y. Stocks

weather elsewhere after several mild winters, and the end of the initial cleanup after Hurricane Andrew. Beyond these one-month numbers lies a story of increasing productivity for the United States that was bought at a wrenching cost in corporate reorganization that shows up in leaner work force. To focus on durable goods alone, production workers now put in a total of 1 percent fewer hours than they did in 1982, and during the following decade total industrial production rose about 20 percent.

WORLD STOCK MARKETS

Table of world stock markets including Amsterdam, Helsinki, Brussels, Johannesburg, Frankfurt, Milan, London, and Montreal. Columns include stock names, prices, and changes.



The Dow Daily closings of the Dow Jones industrial average

NYSE Most Actives

Table of NYSE most active stocks including GM, Ford, and others with volume and price changes.

NYSE Diary

Table of NYSE diary entries including stock names, prices, and changes.

Amex Diary

Table of Amex diary entries including stock names, prices, and changes.

NASDAQ Diary

Table of NASDAQ diary entries including stock names, prices, and changes.

Dow Jones Averages table showing Open, High, Low, and Close for Industrials, Transp., and Comp.

Standard & Poor's Indexes table showing Industrials, Transp., and Finance.

NYSE Indexes table showing Composite, Industrials, and Finance.

NASDAQ Indexes table showing Composite, Industrials, and Finance.

AMEX Stock Index table showing High, Low, and Close.

Dow Jones Bond Averages table showing 20 Bonds, 10 Utilities, and 10 Industrials.

Market Sales table showing NYSE and Amex volume and value.

N.Y.S.E. Odd-Lot Trading table showing Buy and Sell orders.

S&P 100 Index Options table showing various options contracts.

EUROPEAN FUTURES table showing Class, High, Low, and Close for various futures.

Food table showing SUGAR (FOX) and COCOA (FOX) prices.

COFFEE (FOX) table showing various coffee futures prices.

Metals table showing ALUMINUM (CME) and other metal futures.

3-MONTH STERLING (LIFFE) table showing interest rate futures.

3-MONTH EURO-DOLLARS (LIFFE) table showing interest rate futures.

3-MONTH EURO-DOLLARS (LIFFE) table showing interest rate futures.

LONG GILT (LIFFE) table showing government bond futures.

U.S. FUTURES table showing various U.S. futures contracts.

Grains table showing WHEAT (CBT) and CORN (CBT) prices.

SOYBEANS (CBT) table showing soybean futures prices.

SOYBEAN MEAL (CBT) table showing soybean meal futures prices.

SOYBEAN OIL (CBT) table showing soybean oil futures prices.

SOYBEAN OIL (CBT) table showing soybean oil futures prices.

SOYBEAN OIL (CBT) table showing soybean oil futures prices.

GERMAN GOVERNMENT BUND (LIFFE) table showing German bond futures.

INDUSTRIALS table showing various industrial futures prices.

BRENT CRUDE OIL (IPEX) table showing oil futures prices.

PTFE 50K (LIFFE) table showing PTFE futures prices.

SPOT COMMODITIES table showing various commodity prices.

DIVIDENDS table showing dividend payments for various stocks.

AMERICAN PRODUCTS table showing various product prices.

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U.S. / AT THE CLOSE

Is Microsoft Off the Hook?

WASHINGTON (Combined Dispatches) — After meeting behind closed doors all morning, the Federal Trade Commission refrained Friday from taking any disciplinary action against Microsoft Corp. Friday from taking any disciplinary action against Microsoft Corp. Friday from taking any disciplinary action against Microsoft Corp.

Morgan Stanley in Property Swap

NEW YORK (Bloomberg) — Morgan Stanley & Co. has completed what is believed to be the first real-estate swap with a major U.S. corporate pension fund, sources close to the transaction said Friday.

Owens-Corning to Reopen Plant

TOLEDO, Ohio (UPI) — Owens-Corning Fiberglas Corp. said Friday it would reopen its Jackson, Tennessee facility in April 1994 and initially employ 80 people to manufacture fiberglass strands used in the production of wet-process mat for roofing products and other applications.

For the Record

U.S. consumer installment credit soared at an annual rate of 4.1 percent in December to \$725.9 billion, the Federal Reserve Board reported Friday, as consumers borrowed heavily to buy cars. It was the fastest rate in nearly two years and the fourth straight monthly rise.

Oil Prices Lose Steam Again

LONDON — Oil prices ended the week slightly lower as Kuwait staked a claim Friday to a bigger share of OPEC output and as profit-taking took the wind out of Thursday's rally.

Stock Indexes

Table of stock indexes including S&P 500, NYSE, and others.

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Large vertical advertisement on the right edge of the page, partially cut off, with text including 'Bully New C' and 'JOBLE'.

صوتك من الامم

Consider The Slavic Connection

Bully on the Block: New German Issues

By Brandon Mitchener

FRANKFURT — While the rest of the world focused Friday on the kinder, gentler Bundesbank, many German financial institutions pondered the impact of the imminent arrival of a new Bully in town. Short for Bundesbank liquidities...

50 billion DM (\$30.3 billion) in cash to deposit in Luxembourg and other foreign financial centers. In addition to allowing German investors to evade a new tax on interest income...

Dutch and British Seek A Rescue Plan for DAF

Compiled by Our Staff From Dispatches

AMSTERDAM — Dutch and British administrators held their first joint talks on Friday to see what they could do to attempt a rescue of the truckmaker DAF NV. The court-appointed administrators were expected to take several weeks to work out a plan...

From Glasgow to Dijon: Nestlé Turns the Tables

Agence France-Press

LONDON — Scottish business and political circles sounded the alarm Friday when the Swiss-based multinational Nestlé announced it would indirectly shift some of its production from a factory in Glasgow to Dijon, France. A union spokesman said claims by Prime Minister John Major...

Investor's Europe

Table with columns for Frankfurt DAX, London FTSE 100 Index, Paris CAC 40, Exchange Index, Friday Close, Prev. Close, % Change. Includes data for Amsterdam, Brussels, Frankfurt, Helsinki, London, Madrid, Milan, Paris, Stockholm, Vienna, Zurich.

JOBLESS: German Unemployment Surges, Dampening Joy of Rate Cut

(Continued from first finance page) German economy. She specifically cited the new unemployment statistics and said the Bundesbank had nearly throttled the German economy with its tight monetary policy.

Some other critics, however, suggested that the Bundesbank had committed an act of treason by cutting rates to help the rest of Europe while German inflation, the central bank's mortal enemy, continues to rage.

also monetary expansion must remain our priority task," he said. Peter Pietsch, an economist at Commerzbank AG in Frankfurt, said the Bundesbank had neither forsaken its tight monetary policy nor its credibility.

Finland's Slump Exceeds Decline of Depression Years

Reuters

HELSINKI — Finland's economy, hurt by the breakup of the former Soviet Union, has shrunk more in the last two years than it did during the Great Depression of the 1930s, officials said Friday. Official preliminary figures showed that gross domestic product fell 3.5 percent in 1992 after dropping 6.4 percent in 1991.

Very briefly:

Petrofina SA announced plans to halve its dividend after reporting that group net profit plunged 72 percent to an estimated 4.6 billion Belgian francs (\$14 million)...

Call for Rapid Action in Russia

Compiled by Our Staff From Dispatches

MOSCOW — Prime Minister Viktor S. Chernomyrdin warned members of Russia's divided government and parliament Friday that the time for steady reforms had ended and that urgent economic steps were needed. "The time for gradual changes has passed," he said at a high-level conference...

EC Stimulus Package Faces Delay

BRUSSELS — A package to boost economic growth in the European Community has been delayed, Henning Christophersen of Denmark, the commissioner for economic and financial affairs, said Friday. Mr. Christophersen said last month that the measures would be announced at the Feb. 15 meeting of finance ministers...

NYSE

Friday's Closing Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

NYSE High-Low Stock table with columns for 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, 52 Wk Low, Lastest Crs.

NYSE High-Lows table with columns for High, Low, Stock, Div, Yld, PE, 52 Wk High, 52 Wk Low, Lastest Crs.

NYSE High-Lows table with columns for High, Low, Stock, Div, Yld, PE, 52 Wk High, 52 Wk Low, Lastest Crs.

NYSE High-Lows table with columns for High, Low, Stock, Div, Yld, PE, 52 Wk High, 52 Wk Low, Lastest Crs.

MARKETS: Rate Cuts Hailed

(Continued from page 1) to its strongest level in months, at 3.8144 to the mark. The krona had stood Thursday at 3.84 and Wednesday at 3.9016, its floor in the EC currency grid. Denmark's central bank made it clear Friday that it was in no position to ease credit, however. It refused to reverse a two-point increase in the discount rate that it made earlier this week...

AUSTRALIA FUND SICA V

CONVENING NOTICE Notice is hereby given that the Extraordinary General Meeting of shareholders of AUSTRALIA FUND (the Fund) shall be held at the registered office on February 15th, 1993 at 11.30 a.m. for the purpose of considering the following agenda: 1. to resolve the liquidation of the Fund; 2. to appoint a Liquidator.

Deutschemark interest rates, US economic recovery, The Japanese trade surplus, The Balkan crisis, Chaos in Kinshasa. Includes a table with columns for Country/Currency, 12 months, 6 months, 3 months, 1 month, 1 week, 1 day.

EAST: The \$400 Porcelain Cup, or the Story of Germany's Bottomless Pit

(Continued from page 1)

Mr. Tassin and the prince. They arrived in Prince Alexander's ancestral home region ready for a challenge. They knew the phones did not work. They knew the economy did not work. They knew even the workers did not work. But they were confident they could turn it around, and the Treuhand agency proudly displayed the pair as the kind of investors whose cash and creativity would produce Germany's next economic miracle.

Once a world-renowned maker of pieces collected from New York to Moscow, Saxony Porcelain was nationalized under Communist rule. The new investors found a bloated administration, lax production schedules and a work force

of 150, including dozens of highly skilled craftsmen. Mr. Tassin hired engineers from Limoges, fired excess office workers and gradually trimmed the staff by nearly one-third.

In those days, the workers were betting on Mr. Tassin. They had no other horse. And the French investors did improve conditions. They installed heating in the workshops, where workers had to wear gloves in wintertime under Communist management. Mr. Tassin put in fluorescent lighting so workers could see what they were doing in the long, dark winter afternoons.

But after investing \$2.3 million, Mr. Tassin said he found he was nowhere near breaking even.

"We would have to sell a cup for

\$400, and you cannot do that," he said.

Last year, Mr. Tassin grew desperate and went back to the Treuhand, asking the privatization agency to buy back the company.

"I told them, 'This is your tradition, your culture, and I don't want to destroy it.'" Mr. Tassin said. "I offered to give the company back for one mark and just leave, having lost my investment." The Treuhand rejected the deal.

The agency already has sold about 9,500 of the 12,000 companies it originally put on the market. Most of those remaining are considered difficult, if not impossible, to sell. Although the original plan was to shut down companies that could not survive in a market sys-

tem, Chancellor Helmut Kohl recently reversed policy, deciding to try to save the jobs in those doomed enterprises, rather than let market forces rule.

State subsidies may save some jobs, but they will not lure to the East the major manufacturing needed to build a self-sufficient economy.

"Eastern Germany is going to be an economy consisting solely of retail, services and high technology, which provides few jobs," Mr. Tassin said.

Many Germans working to restructure the East agree, saying that the originally anticipated surge of Western investment never happened and, now that Western Germany is falling into recession, will not in the foreseeable future.

NASDAQ

Friday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	12 Month Low	Stock	Div	Yld	PE	1280	High	Low	Local	Chg
27.25	25.75	AA				12	27.25	25.75		
25.00	23.50	ABC				15	25.00	23.50		
28.00	26.50	DEF				18	28.00	26.50		
24.00	22.50	GHI				14	24.00	22.50		
26.00	24.50	JKL				16	26.00	24.50		
29.00	27.50	MNO				20	29.00	27.50		
23.00	21.50	PQR				13	23.00	21.50		
27.00	25.50	STU				17	27.00	25.50		
25.00	23.50	VWX				15	25.00	23.50		
28.00	26.50	YZA				19	28.00	26.50		
24.00	22.50	BCD				14	24.00	22.50		
26.00	24.50	EFG				16	26.00	24.50		
29.00	27.50	HIJ				20	29.00	27.50		
23.00	21.50	KLM				13	23.00	21.50		
27.00	25.50	NOP				17	27.00	25.50		
25.00	23.50	QRS				15	25.00	23.50		
28.00	26.50	TUV				19	28.00	26.50		
24.00	22.50	WXY				14	24.00	22.50		
26.00	24.50	ZAB				16	26.00	24.50		
29.00	27.50	ACD				20	29.00	27.50		
23.00	21.50	EFG				13	23.00	21.50		
27.00	25.50	HIJ				17	27.00	25.50		
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سوريا من الامل

Consider The Slavic Connection

Rupee Hits Low Amid Float Talk

Compiled by Our Staff From Dispatches BOMBAY — The Indian rupee fell to a record low on the Bombay interbank foreign-exchange market Friday on expectations that the currency will be fully floated later this month.

The rupee fell briefly to a low of \$3.04 per 100 rupees in morning interbank trade before recovering slightly to about \$3.05, dealers said. That is equivalent to a rate of 32.8 rupees per dollar. The rupee had closed at \$3.075 Thursday.

"The market is very thin, with small volumes moving the rate, but I expect the rupee to fall further to around \$2.95 soon," said Deepak Benaigal of Citibank in Bombay.

The rupee has been falling steadily from \$3.25 per 100 rupees at the start of the year. A growing number of brokers believe the government will make the rupee fully convertible when the national budget is presented on Feb. 27.

Dealers said exporters had been holding back exchanging foreign-earning earnings until the unveiling of the budget, when the two-tier official and free-market currency system could be modified or even abolished. Under the present partial float, exporters can exchange 60 percent of foreign-exchange earnings at the free-market rate and 40 percent at the official rate.

Some traders believe the government will not risk full convertibility and instead opt for adjusting the exchange split for exporters from a 60-40 ratio to one of 80-20. Stock prices rose amid the rumors about the possible change in the status of the rupee.

Traders said shares in export companies were the main gainers because they would derive the maximum benefit if the rupee floated. The Bombay stock exchange index rose 9.08 points to 2,647.62. The national index was up 2.47 points to 1,202.27.

(Reuters, Bloomberg)

World Bank Optimistic On Asia-Pacific Growth

WASHINGTON — East Asia and the Pacific can banish poverty "within a generation or so" if the region's governments can meet the emerging challenges of the 1990s, according to a World Bank report.

The report's recent economic successes are mainly due to "a strong outward orientation and an emphasis on human-resource development, in addition to very effective institutional frameworks," said the East Asia and Pacific Regional Development Framework.

The report will be published in March. It said East Asia and Pacific countries had made "a flying start to the 1990s" with average output per capita expanding by 5.2 percent in 1990 and 5.6 percent in 1991, well ahead of the rest of the developing world.

It warned against complacency, however, noting that not all countries in the region had prospered and that "even the good performers have made costly errors in their policy and investment decisions."

"Vigilance, pragmatism, and flexibility — the main features of East Asia's solid performers — must continue for success to be sustained," the report said.

It said South Korea, Thailand and Malaysia were intent on maintaining recent dramatic growth and had "good prospects for doing so." Socialist countries "in transition" accounted for 80 percent of the region's population such as China, Vietnam, Laos and Mongolia.

The island economies of the region — Indonesia, the Philippines and the smaller Pacific islands — will require external resources in the 1990s on a scale much larger than they received during the previous decade.

U.S. Is Turning Up the Heat In Trans-Pacific Air Dispute

United currently flies from Tokyo to Hong Kong, Seoul, Bangkok, Singapore and China. There are no similar restrictions on those routes, a United spokesman said.

The ruling Wednesday night was the first aviation action by the Clinton administration and, coupled with the Northwest ruling two days later, signaled that Washington intended to defend U.S. airlines in the international arena.

"This administration is going to be quite firm to make sure that our foreign partners live up to agreements," a government source said.

The Department of Transportation could implement United's proposal to require Japanese airlines to file information on the number of passengers they carry between the United States and third countries. It could also limit Japan Air Lines' right to carry local passengers between Los Angeles and Brazil.

In the other case, Northwest operates three flights a week from New York to Sydney via Osaka.

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Investor's Asia table with columns for Hong Kong Hang Seng, Singapore Straits Times, Tokyo Nikkei 225. Includes line graphs and a table of exchange rates.

Positive Signs for Hong Kong Stocks

HONG KONG — Huge demand for shares in Hong Kong company flotations in the last few days shows that the Chinese-British conflict over political change can be resolved, the Hong Kong stock market will surge, analysts said Friday.

"At the moment there is money playing on the fringes of the market, which could become more fundamental and longer-term if the political situation is resolved," said Barry Yates, head of international research at the Asia Equity brokerage.

Frustrated investors faced with an inflation rate hovering around 10 percent and overnight bank deposit rates at just 1.5 percent are attempting to "stag" new share issues. A stag is someone who buys a new securities issue with the intention of selling it immediately on listing at a premium.

Other major avenues for their funds have been closed off as Hong Kong apartment prices have declined in the last few months and the stock market

itself is lackluster due to the dispute between London and Beijing, the analysts said.

Clive Woodson, research director at Nomura Research Institute, said the Hong Kong stock market should have no trouble reaching 7,000 on the Hang Seng index if the political dispute with China was resolved. The index ended 30.8 points lower at 5,747.21 on Friday.

The dispute with China centers on proposals to increase democracy in the territory put forward by Governor Chris Patten of Hong Kong in October. China is bitterly opposed to the proposals, saying they breach Chinese-British accords covering the reversion of Hong Kong to Chinese sovereignty in 1997.

On Thursday, the Cantonese restaurant chain Tak Hain Holdings said its public share flotation was oversubscribed by about 552.4 times, a record for any initial share issue in Hong Kong.

There were applications for 37.4 billion shares, against just 67.5 million offered to the public, the company said.

Campbell and Arnotts Pledge To Lay Takeover Fight Aside

SYDNEY — Campbell Soup Co. and Arnotts Ltd. took steps Friday toward reconciliation as the U.S. company consolidated its hold on a majority of the Australian cookie and cracker maker's shares.

As the hostile bid expired with Campbell holding about 58 percent of the company — but not yet gaining control — the American company said, "We look forward to a successful partnership with our fellow Arnotts shareholders in supporting the directors, management and employees to pursue new successes for the benefit of all."

The Arnotts chairman, Bill

Purdy, said: "While Arnotts has opposed the bid strongly, we have not done so with the hostility and bitterness often evident in takeover battles. We have worked harmoniously with Campbell Soup for over seven years and I am confident we will continue to work with them."

Campbell does not yet control the company because of a 1985 agreement with Arnotts that says it must first hold more than 85 percent of the shares. Until then, Campbell can vote just 14.9 percent of its stock.

Campbell gained a majority of shares Thursday when the Australian Mutual Provident Society sold a 6.3 percent stake in Arnotts.

(Bloomberg, Reuters)

Very briefly:

- South Korea imposed anti-dumping duties ranging from 40.46 percent to 54.28 percent on Chinese phosphoric acid, used in foods and industry, for three years. The action came hours after Beijing diplomats moved into their new embassy in Seoul, the former Taiwan embassy.
- Fujitsu Ltd., Japan's largest computer manufacturer, will reduce its 2,000-strong white-collar work force by some 500 over two to three years by not replacing retired white-collar workers.
- Mitsui & Co. has become General Motors Corp.'s authorized dealer to import and distribute GM cars in Japan.
- Wing Tai Holdings Ltd. of Singapore is selling Incepace House to Singapore units of Hewlett-Packard, for 146.1 million Singapore dollars (\$89.1 million).
- Hongkong & Shanghai Banking Corp. plans to recruit tellers from China for the first time to make up for staff shortages in its Hong Kong branches.
- New World Development Co. of Hong Kong has signed a letter of intent to build the Guangdong section of China's huge superhighway project linking the north with the south and is also discussing a new department-store project in Beijing's busiest shopping center.

INTERNATIONAL FUNDS table with columns for fund names, currencies, and prices. Includes sub-sections for DIVERSIFIED INVESTMENT FUND, INTERNATIONAL INVESTMENT FUND, and SPECIALIZED INVESTMENT FUND.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.

THE MONEY REPORT

Saturday-Sunday, February 6-7, 1993 Page 14

FIRST COLUMN Big Cannons Turning on The Franc

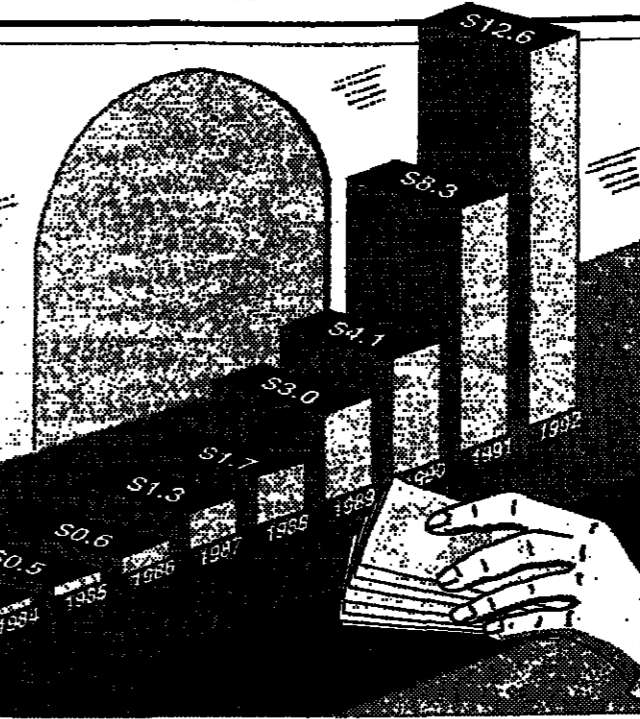
THE consensus among foreign exchange analysts is that Thursday's tiny downward move in German interest rates has sent a signal to the markets. Unfortunately, that signal is, as it always has been, that the Bundesbank is prepared to defend the French franc, right down to the last Frenchman.

Changing Barometer Clouds Index Funds

HERE'S a little investment conundrum: When does "average" really mean "good"? When you're talking about fund performance, according to some skeptics, who point to the apparent inability of the majority of fund managers to beat market indexes.

Individual Investors' Choice

Asset totals for retail-only funds in billions of dollars.



Skeptics Ask: Who Needs It?

SOME industry skeptics doubt the need for index funds. Others go even further, and question whether the indexes themselves are either necessary or desirable.

advocates concede that indexing is not well suited to international markets because of currency fluctuations and weighting by size of markets.

while Fidelity's competing version charged 0.45 percent in 1992. Other funds are only quasi-indexers. An example is the IDS Blue Chip Advantage fund, known as an "enhanced" index fund, whose strategy is to buy only the top performers in each industry from the S&P 500, hoping to better its return with the selective approach.

Budapest Needs to Bridge Marketing Gap

YEAR ago, Budapest was chosen to host the 1996 World Expo, just what city fathers said they needed to make the city the cultural and business capital of the East.

efforts are just plain bizarre, like this blurb found in a promotional pamphlet at a mid-range hotel in the center of Pest: "Dear Guest, should you wish to entertain yourself or dance, please, come to the night club of our hotel! International program, repeated art performers and an orchestra will make you feel better and come to visit us with pleasure again."

according to one local paper, is already the destination of several tours, including one from Israel, which brings about 150 visitors to the city each weekend.

But the move toward capitalism has created internal strains within the country, as the gap between poor and rich widens. The posh Rozsodomb district now has Mercedes and more mansions, but

GUINNESS FLIGHT SUPERB INVESTMENT OPPORTUNITY BONDS: THE TIME IS STILL RIGHT. The chart below shows the performance achieved by all* of our bond funds over the 25 months since the beginning of 1991. Given the current economic climate, we believe further excellent returns could still be achieved over the next two years.

Capital City Communism is out, capitalism is in. But where is the market savvy in Budapest? The goal of the Expo is to create or change the image of Hungary abroad, and show it is willing to open itself to Europe.

BRIEFCASE Deutsche Bank Launches Bond Fund in Luxembourg International fund managers seem to have decided that bond funds are what investors want. The latest in a series of bond-invested funds to be launched this year comes from the Luxembourg-based mutual fund arm of Deutsche Bank.

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THE MONEY REPORT

U.S. Expatriates Brace for Tax 'Sacrifice'

By Jack Anderson

ONE thing is certain: President Clinton's tax proposals will be unlike Candidate Clinton's tax proposals. That presents U.S. taxpayers, resident and nonresident alike, with two questions to ask themselves: What is he going to do? What action should I take?

Expatriate employees around the world. Let us take four different typical expatriate situations in France, Britain, Hong Kong and Japan.

Clinton's Most Likely Tax Proposals

- New tax bracket - 33% for married couple filing joint returns with adjusted gross income of \$200,000 or more, after the foreign earned income and housing exclusions.
Increase in medicare part B premium for those with income exceeding \$125,000.
Increased taxation of social security benefits to high income pensioners.
A new 10% surtax on tax attributable to taxable income in excess of \$1,000,000. Applies to estates and trusts as well as individuals.
Enhanced tax enforcement to prevent fraud on unearned income of the wealthy.
GOOD NEWS (How Less Likely)
Mildly progressive tax relief. An election promise to claim a children's tax credit.
A possible lower rate of tax on taxable income.

his \$600,000 lifetime exemption to its maximum. However, the Clinton proposals include the possible reduction of this lifetime exemption to \$200,000, thus bringing an additional \$400,000 into John's taxable estate.

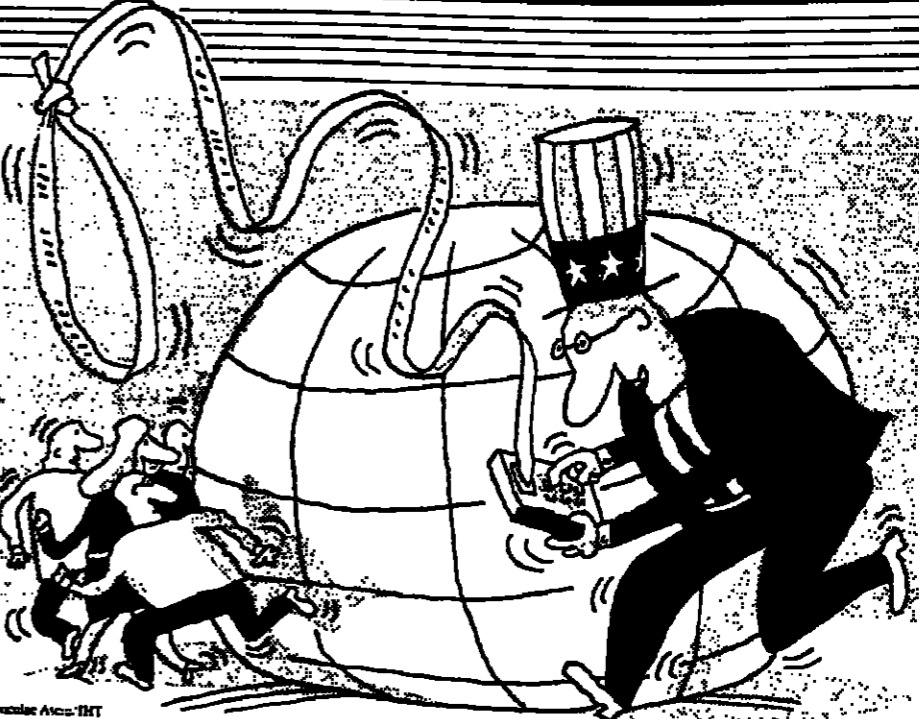


Illustration by: HBT

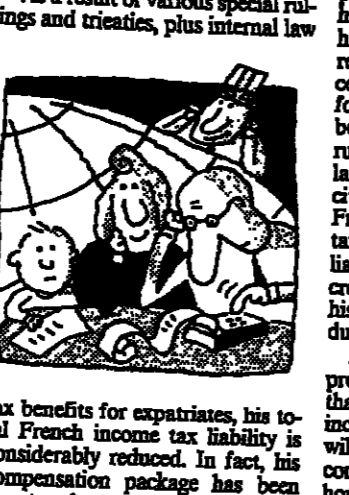
At some time in the future, Jim and Mary want to have children, but Mary also plans to continue her career after the children are at a suitable age.

Richard may want to develop an alternative to his long-term strategy of investing in tax-exempt bonds. As part of a new tax package, the tax exemption for state and local bonds may be eliminated.

Another type of deduction that might be eliminated is the charitable contribution deduction. He has made regular and generous contributions to his undergraduate and business schools.

Sections of this article were prepared by the following Ernst & Young personnel: David Ellingford in London; Bill Church in Tokyo; Jason Felton, in Hong Kong, and Inga Baran in Paris.

Expatriates on a "tax protection program" and "local hires" may also be impacted by Mr. Clinton's proposals. A tax equalization program requires the expatriate to pay a "hypothetical" U.S. and state tax to the company as if he had stayed "at home" in the United States on his base salary in exchange for the company paying the generally larger foreign and U.S. tax.



tax benefits for expatriates, his total French income tax liability is considerably reduced. In fact, his compensation package has been structured to tax-effectively that his U.S. and New York State and City hypothetical tax liability covers his worldwide tax cost, and as such, his employer has had the benefit of his highly valued services in France at no extra "tax equalization" cost to the company.

lifying stock options in 1993 that he has accumulated over the past five years. The stock option plan has been "qualified" for French tax purposes. Based on the current high market value of the stock and his low exercise price, he stands to realize \$50,000 of additional income for U.S. tax purposes. But not for French tax purposes since it has been "qualified" for the French rules and the capital gain from a later sale of the U.S. stock by a U.S. citizen is not subject to direct tax in France.

John is a U.S. expatriate who has been working in Britain for a U.S. employer for the past four years. His compensation before any expatriate allowances or tax equalization is \$250,000 and he has non-qualified stock options granted over the last six years that must be exercised within 10 years from the date of grant.

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Richard and another U.K. citizen are entrepreneurs and each owns 50 percent of a boutique merchant bank in Hong Kong providing financial advice to companies throughout Southeast Asia.

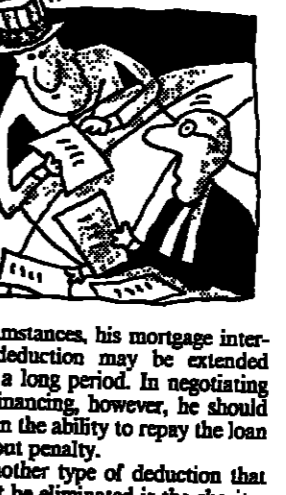


Illustration by: HBT

Jack Anderson is a tax partner in the HSD Ernst & Young Paris office.

Mr. Clinton will make his State of the Union address and outline his economic proposals to a joint session of Congress on Feb. 17. The specific tax proposals will not be presented until "some time later."

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Ray is concerned that due to the president's tax proposals it is likely that his U.S. hypothetical tax will increase, but his employer's costs will remain unchanged. Ray is also concerned since he has a hefty home mortgage on his U.S. residence of \$500,000 for which he previously received the full interest expense tax deduction in his hypothetical tax calculation.

John is a U.S. expatriate who has been working in Britain for a U.S. employer for the past four years. His compensation before any expatriate allowances or tax equalization is \$250,000 and he has non-qualified stock options granted over the last six years that must be exercised within 10 years from the date of grant.

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Another type of deduction that might be eliminated is the charitable contribution deduction. He has made regular and generous contributions to his undergraduate and business schools.

Sections of this article were prepared by the following Ernst & Young personnel: David Ellingford in London; Bill Church in Tokyo; Jason Felton, in Hong Kong, and Inga Baran in Paris.

January Market Scoreboard

Table with columns for Best Performers and Worst Performers, listing various market indices and their percentage changes.

Best Performers

Table listing top performing market indices and their percentage changes.

Worst Performers

Table listing bottom performing market indices and their percentage changes.

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SPORTS SKIING

Germany's Vogt Wins Combined Gold in Japan

Compiled by Our Staff from Dispatches
SHIZUKUSHI, Japan — Miriam Vogt of Germany won the women's combined competition at the world skiing championships on Friday, and Picabo Street of the United States surprised the field to win the silver.

Street, the second racer of the day, turned in a stunning downhill run, finishing the Mount Kotakakura course in 1 minute, 26.64 seconds.

Only two racers were able to get within a second of her, and one was Vogt, who is among the best downhillers in the world. Vogt placed second in 1:26.87 and with her second in Thursday's slalom portion of the event, easily won the gold.

"I'm very happy with the good result," Vogt said. "It was good skiing and I enjoyed it. There was a bit of wind but I skied well. The reason was hard training."

Vogt, with a history of confrontations with the German ski team, became her country's first female world champion since 1978.

Said Street: "I'm very happy and very surprised. I felt really good after my run and I was psyched with my skiing. I think to win, to know that I was the fastest one here today, is the best thing."

Anita Wachter of Austria, who had won the slalom portion, won the bronze medal.

After Wachter shaded Vogt by .02 seconds in the slalom, it was expected that those two would battle for the gold.

The race was run in brilliant sunshine with little if any wind, a decided departure from the blizzard conditions of the previous two days.

Organizers took advantage of a break in the bad weather to stage the downhill portion of the men's combined. Luc Alphand of France won it in 1:32.19, .68 seconds clear of the field.

Kristian Ghedina of Italy was second and A.J. Kitt of the United States was third.

More important than the result was the relative placing of the men expected to contend for the combined medal. Of those, Austria's Gunther Mader had the best downhill, placing sixth in 1:34.29.

Marc Girardelli of Luxembourg, winner of the three World Cup combined events this season, finished 10th. Kjetil Andre Aamodt, second to Girardelli in two combinations this season, was 12th.

The organizers on Friday released a two-option timetable for Saturday, depending on weather conditions.

If conditions are good, the women's downhill, called off on Thursday because of falling snow and high winds, was to go ahead on the Mount Kotakakura piste, while the third official men's downhill training run was to take place on neighboring Mount Takakura.

But if the weather breaks, the men's combined event is to be decided with the slalom.



AP, Reuters Miriam Vogt soaring to victory on Friday in the combined event.

Polian Is Dismissed As Bills' Manager

By Gerald Eskenazi
New York Times Service

Bill Polian, the bold and highly regarded general manager of the National Football League's Buffalo Bills, has been dismissed, four days after his team became the first one to lose three straight Super Bowl games.

John Butler, the Bills' director of player personnel, was named his successor.

Apparently this was not a case of an unhappy owner with a winning-is-everything philosophy. Rather, there had been longstanding differences between Polian, 50, and Ralph Wilson, 74, the Bills' owner.

In fact, Polian said Thursday in a short statement: "Just prior to the start of the regular season, Mr. Wilson and I met in Detroit. He informed me that he wanted to restructure the front office. He reaffirmed that position this week."

Wilson, whose financial empire includes auto-parts manufacturing plants and four television stations, was said by his Detroit office to be unavailable for a few days. The Bills said that Polian's departure would have no effect on Coach Marv Levy and his staff.

Butler, 46, was also given the title of executive vice president. The Associated Press reported on Friday.

"John is a competent, stable worker," Wilson said in a statement. "I have every confidence in his ability to lead the club and maintain the standard of excellence we have enjoyed over the years."

Polian, who had been the Bills' general manager since 1986, helped to transform a team that had fallen on hard times into the American Conference's elite club. Indeed, over the last four seasons, the Bills had the NFL's best record.

It was apparent that Polian's tenure was coming to an end, even before the Bills were trounced by the Dallas Cowboys, 52-17, last Sunday in the Super Bowl. The defeat was Buffalo's third straight in the championship game.

He still had at least another year on his contract, but he was being mentioned for the vacant general manager's job at New England, along with speculation that he would go to the Phoenix Cardinals.

Polian joined the Bills' front office in 1984. When he was elevated to general manager in 1986, the Bills had put together consecutive seasons of 2-14.

Three years earlier, they had failed to sign their top draft pick, Jim Kelly, who went to the U.S. Football League, then new.

Noting the weather in Buffalo, Polian said, "You must have a strong running game and a strong defense to win here."

A gritty quarterback didn't hurt either, so Polian signed Kelly after the USFL folded. In 1987, he made the complex, three-way deal with the Kansas City Chiefs, where Polian had worked for him as a scout.

He became a Pro Bowl linebacker. The Kelly and Bennett deals were sandwiched around Polian's selection of Marv Levy as head coach late in the 1986 season. Levy was an almost-forgotten 58-year-old who had wound up as the operations director of the Montreal Alouettes in the Canadian Football League. Five years earlier, he had been dismissed as head coach of the Kansas City Chiefs, where Polian had worked for him as a scout.

The Bills went on to win the AFC East title four straight seasons before making the playoffs as wild-card entrant (with an 11-5 record) last season.

SIDELINES

Details of Schott's Ban Reported

CINCINNATI (UPI) — Marge Schott, owner of the Cincinnati Reds, will be allowed to discuss key business decisions with the club's general manager during her one-year suspension, a newspaper reported Friday.

The Cincinnati Enquirer said the terms of Schott's suspension were outlined Thursday by an unidentified high-ranking baseball official. Baseball's executive council on Wednesday voted to suspend Schott for one year and fine her \$25,000 for making racial and ethnic slurs.

In addition to being allowed to discuss important club decisions with General Manager Jim Bowden, whom she appointed to run the team, Schott also will be allowed to watch Reds games from the field-level, blue box seats after May 1. The newspaper said she also would be allowed to be involved in negotiations and disputes involving radio and television contracts; banking relationships, including financial arrangements; and nonplayer commitments exceeding \$500,000.

Piggott's Return Postponed in Dubai

DUBAI, United Arab Emirates (Reuters) — The veteran British jockey Lester Piggott's long-awaited return to racing was postponed on Friday by desert rains and the death of a member of the first time since being crushed by his horse, Mr Brooks, in October during the Breeder's Cup in Florida. He was to ride in four of the seven races scheduled on Friday at a Dubai track. The Emirates News Agency said the races would be held Sunday.

No official reason was given for the postponement, but heavy rain fell on Thursday night and the emirate marked the death on Friday of an elderly member of the Maktoum family with an official mourning period.

Frost Leads Pebble Beach by a Shot

PEBBLE BEACH, California (Reuters) — David Frost of South Africa continued his outstanding putting to claim a one-stroke lead over Mark Brooks on Thursday after the opening round of the Pebble Beach National Pro-Am.

Frost, winner of four events spread over three continents last year, needed just 25 putts to record seven birdies and only one bogey on the Pebble Beach course. Brooks also played at Pebble Beach, where most of Thursday's low scores were recorded. Stan Uley, Davis Love, Bob Lohr and Sam Randolph and Australians Steve Elkington and Brett Ogle were two strokes behind at four-under-par 68. They all played at either Pebble Beach or Poppy Hills.

In Singapore, Nick Faldo of Britain remained joint leader of the Singapore Classic on Friday after two rounds, tied at five-under-par 135 with his compatriot Colin Montgomerie.

Criquiellion to Appeal to High Court

BRUSSELS (Reuters) — The former world cycling champion Claude Criquiellion is to appeal to Belgium's Supreme Court in an attempt to win damages from Steve Bauer of Canada, whom the Belgian says cost him a second world title.

Criquiellion's lawyers announced the new round of the legal battle on Friday, the news agency Belga reported. Bauer collided with Criquiellion, a Belgian, at the finish of the 1988 world professional road race. In March, a lower court cleared the Canadian of voluntary or involuntary wounding. An appeal was overturned last week in Ghent.

Criquiellion, who won the world title in 1984, accused Bauer of riding him off the road at the world championships in Renai, Belgium, when he seemed certain to win. Criquiellion tried to squeeze between Bauer and the barrier as the Canadian led a three-man sprint for the line. The Canadian veered into his path and Criquiellion accused him of using his elbow to block him. The Belgian crashed into a policeman and fell, and Maurizio Fondriest of Italy beat a fading Bauer to win the race.

IOC Denies Campaigning for Nobel

LAUSANNE, Switzerland (AP) — The head of the International Olympic Committee denied a report that the organization hired a top public relations firm to campaign for the Nobel Peace Prize.

"The International Olympic Committee categorically denies that it has asked Grey/GCI, or any agency, to campaign for the Nobel Peace Prize for the IOC or its president," Juan Antonio Samaranch, the IOC's president, said in a statement issued by the committee's headquarters on Thursday. Francois Carrard, the IOC's director general, also denied the story, which was published in the Norwegian newspaper Arbeiderbladet.

"Any source expressing a different view is either wrong or has been misquoted," Carrard said in a letter to the newspaper. "As director general, I can assure you that we have never had any intention of using Grey or any PR agency for such an assignment."

For the Record

The San Diego Yacht Club has accepted two syndicates for the 1995 America's Cup Defender Selection Series, one headed by Dennis Comer and another headed by Kevin Mahaney and John Marshall, the club announced on Thursday.

Britain and Sweden became the first countries to confirm that they will send teams to the 1994 Winter Olympics in Lillehammer, Norway, the International Olympic Committee said Friday.

Quotable

Alexander Mogilyov of the Buffalo Sabres, after failing in his bid to become only the sixth National Hockey League player to score 50 goals in 50 games: "I'm not from a different planet. I'm human, man."

Primo vs. Butch: Rivalry Played Out in Courts and the Press

By Christine Brennan
Washington Post Service

NEW YORK — An apology. Now Primo wants an apology. The ruthless czar of worldwide track and field is asking Butch Reynolds to drop to his knees and say he's sorry for all the embarrassment he has caused Primo Nebiolo and his cronies in the International Amateur Athletic Federation.

And that's not all. Primo would like one other thing: While you're at it, Butch,

like it. This cost Reynolds the spot he earned in the 1992 Summer Olympics, not to mention hundreds of thousands of dollars in endorsements and winnings. Now, if Reynolds doesn't do as Primo wishes, the IAAF is considering suspending him some more.

What did Reynolds do to deserve this kind of treatment? He chose to fight a positive steroid test that was handled so shabbily it would have been laughed out of any court in the land.

As the indoor track and field circuit winds its way to Washington this weekend, the biggest rivalry in the sport remains the sad, troublesome battle between Reynolds and Nebiolo. Nearly eight months after reaching the U.S. Supreme Court, where Reynolds won the right to run at the U.S. Olympic trials, the two are at it again. Primo sits in Rome and waits for Reynolds to crack. Reynolds, a man whose strength exceeds his speed, steadfastly refuses to crumble.

To understand their fight, to realize how tautly unfair the IAAF has been to Reynolds, we must travel back to Aug. 12, 1990, to a small drug-testing room at a track meet in Monte Carlo. Reynolds provided a urine sample to be tested, as he had done dozens of times before in his stellar career. This time, for the first time in his life, it came back positive.

But there were problems. The IAAF violated about a half-dozen of its own guidelines in testing the urine. Reynolds wasn't allowed to separate the two urine samples himself. The sample bottles (there are always supposed to be two, marked A and B) were not sealed and were not packed securely. Instead of being sent immediately to a lab in Paris, the bottles spent two nights in two different refrigerators: one in the home of the doping control officer, the second in the country house of the officer's mother.

After the containers reached Paris, tests proved sample A and sample B did not come from the same person. And so top it off, the official who tested the urine also was testing other athletes' urine at the same time, and twice wrote down that the urine containing the steroids was that of an East German athlete, not Reynolds.

Undaunted, the IAAF called it "a routine case" and kicked Reynolds out of the sport for two years.

ANYBODY COULD have tampered with Reynolds's samples, if they even were his. Athletes, especially world-record holders, occasionally express the fear that their careers can be torpedoed by a technician in a dark lab in a faraway place. Their only recourse is to appeal to the group that runs the test, the IAAF.

After losing to Primo, Reynolds went to

the U.S. courts. It's no surprise he won there. But Primo doesn't listen to U.S. courts. The Olympics were in Spain, where U.S. courts meant nothing, so Primo won again and Reynolds went home.

But the 400-meter man wasn't done yet. He came back and won the \$27.3 million in a courtroom in December and began training again to run this winter. And Primo plotted to stop him once more.

So, the other day, Reynolds stood in a crowded hotel conference room and answered 50 questions about the law and five about sports. Track and field is one of an increasing number of sports in which public relations people hand out two things at news conferences: press releases and copies of court decisions.

Reynolds stood alone. There was no phalanx of athletes beside him for the photo op. No sponsor stood with him. No U.S. track and field official. No U.S. Olympic Committee hooha.

This is sad. From an American perspective, this case is so clear cut, a no-brainer, that one would figure Reynolds would be shooting supporters away. The men and women who run U.S. corporations that sponsor IAAF events would love to drape the flag around Reynolds, right? The USOC or USA Track and Field want to make him their cover boy, right? Well, perhaps not. Privately, U.S. offi-

cial say they're hesitant to stick their necks out for an athlete in a sport so rife with rumors of steroid use. And Reynolds has the stigma, even though there is no way in the world that Monte Carlo drug test could prove he used steroids.

IN JUNE, Primo issued threats, first saying that the entire U.S. Olympic track and field team could be "contaminated" and might be disqualified from the Olympics if Reynolds ran at the Olympic trials. Later he narrowed the charge to the 400-meter runners. U.S. officials shook in their running shoes. What they should have done is tell Primo to get lost. Could anyone really imagine an Olympics without U.S. track and field athletes?

But, in the staredown, U.S. officials blinked, explaining they are bound by their own rules to support the IAAF, come hell, high water or the Bill of Rights.

These same sponsors and officials will have other chances to correct that mistake. They should immediately join the athletes in calling for an independent international board to arbitrate drug cases such as Reynolds's. And they should force Primo to open his books and share his profits in the form of prize money at this summer's world championships. If the IAAF doesn't do this, some top athletes have said they will consider a boycott.

DENNIS THE MENACE



PEANUTS



WIZARD OF ID



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 EVIRT
 LOCCIA
 GERELD

Print answer here: _____

BLONDIE



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SPORTS

Dokes and Bowe Weigh In as Fit for Title Fight

Heavyweights: The Tale of the Tape

The tale of the tape after the weigh-in for the world heavyweight title fight on Saturday in New York between Riddick Bowe, the champion, and Michael Dokes:

Table comparing Riddick Bowe and Michael Dokes across various physical metrics like height, weight, reach, and chest measurements.

By Michael Martinez. NEW YORK — Maybe all that tongue and clam sauce actually helped Michael Dokes lose a few pounds this week. Dokes, who appeared to live it up while training only occasionally for Saturday night's heavyweight title fight against the champion, Riddick Bowe, surprised himself and his camp when he stepped on the scales at Thursday's weigh-in.

decision against Jose Ribalta, he was a robust 258. The days of 225 pounds are apparently over. "He could never make that weight again," Slayton said. "He never really left."

matchmaker, Bobby Goodman, tried to rescue an embarrassing situation. "Don't turn around," he implored. Dokes ignored him. Before the weigh-in, Gordon conceded that he was somewhat concerned about Dokes's condition.

No. 33 Is Retired to the Rafters as Celtics Bid Farewell to Larry Bird



During the ceremony in Boston, Larry Bird opened Magic Johnson's Lakers jacket, revealing a T-shirt from the arch-rival Celtics.

By Christopher B. Daly

BOSTON — They cheered loud and long at Boston Garden for Larry Bird, saying farewell to a small-town Indiana boy who became one of the dominant players in the history of the National Basketball Association.

5 Nations: Is England Beatable?

LONDON — A 16-15 home victory over France has put England on the road to an unprecedented third Grand Slam in row in rugby's Five Nations Championship. Ironically, it also has given hope to England's rivals.

Last-Gasp Illinois 3-Pointer Sinks No. 9 Hawkeyes, 78-77

The Iowa players had already celebrated what they thought was a victory. Iowa went ahead 77-75 when a rebound deflected into the basket off the hand of an Illini player.

seven games, missed his first six shots and finished with 10 points as the Runnin' Reddies lost to Pacific (10-8, 8-2 Big West) for the first time in their last 27 games—a streak that dated from Jan. 3, 1972.

In the first half as the Green Wave (16-3, 6-0) built a 35-29 lead over the Hokies (8-8, 1-5). No. 21 Utah 88, Wyoming 64: In Salt Lake City, Byron Wiltz and Mark Rydzek scored 16 points each, Josh Grant contributed 14 points and 14 rebounds and Phil Dixon added 12 points at the Utah (16-3, 9-1) rolled over the Cowboys (10-9, 4-6) in a Western Athletic Conference game.

SCOREBOARD

Table of NBA Standings for Eastern Conference, Central Division, and Western Conference.

Major College Scores

Table of college basketball scores for various conferences including Big East, Big Ten, and others.

TENNIS

Table of tennis tournament results including the Pam Pacific Open and other events.

SKIING

Table of skiing results for various events and locations.

SOCCER

Table of soccer results for various leagues and tournaments.

TRANSACTIONS

Table of sports transactions including player movements and trades.

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DAVE BARRY

The Cabinet Maker

MIAMI—Allow me to be the first professional news commentator to point out that the Clinton administration has failed. Look at the evidence. Bill Clinton has been president for more than two weeks now, and:

• The national debt is still enormous.

• The world is still rife with oppression, famine and genocide.

• George Steinbrenner is still at large.

The time has come to ask: What went wrong? How could failure have come so quickly to Bill Clinton, who started out with so much promise, so many ideas, such a large volume of hair? As is so often the case with great historical issues, we will not truly know the answer until we read the next sentence.

The answer is, Clinton wore himself out selecting his cabinet. Previous presidents didn't waste a lot of energy on this task. They appointed cabinet members pretty much at random from a small pool of wealthy, golf-playing, respected, establishment white males, replacing them as they became indicted. (Ronald Reagan had to wait for the World Almanac to be published to find out who was in his cabinet.)

It didn't MATTER who the appointees were, because under our constitutional system of government, most cabinet members have no actual duties other than to pose for their official oil portraits. The only cabinet members with responsibilities beyond that are:

The secretary of state, who is required to fly to the Middle East every three weeks to deliver a historic peace initiative, to be placed with all the others in the huge, climate-controlled Peace Initiative Storage Facility;

The secretary of the Treasury, who signs all the money;

The surgeon general, who treats the blisters on the Treasury secretary's hand. (For the benefit of those of you who care about the facts, let me note that the surgeon general is not, technically, a member of the cabinet. The surgeon general is, technically, on the Supreme Court.)

Sure, sometimes in the news you see Photo Opportunities of the president sitting with his full cabinet around a big table, everybody frowning and looking important,

but you never hear what actually goes ON in these meetings:

PRESIDENT: O.K., so we want, let's see... 14 jelly doughnuts and nine powdered sugar, am I right?

CABINET MEMBER: And a prune Danish.

PRESIDENT: Who the hell are you?

CABINET MEMBER: I'm secretary of vegetable and mineral affairs.

PRESIDENT (suspiciously): Let's see your cabinet membership card. (He examines the card.) You bonehead! This expired in 1978! You were in the CARTER cabinet.

CABINET MEMBER: Whoops!

Then along came Bill Clinton, who owed his election to the approximately 17,000 feisty special-interest groups we like to call "the Democratic Party." Clinton could not merely select traditional random white males. Instead, he spent what seemed like the better part of 1992 in a grueling effort to select a cabinet that, as he put it, "looks like America," by which he meant, "looks like one of those comically artificial TV commercials so determined to exhibit one member of every major minority group that they practically make the actors wear large signs with labels like 'ORIENTAL.'"

CLINTON: I'm pleased to announce that I'm appointing to the critical cabinet post of secretary of fisheries and hatcheries, a person who is not only a person of gender, but also a learning-disabled diabetic Norwegian-American Southern person of partly Aleutian descent.

REPORTERS: What is this person's name?

CLINTON: I have no idea.

So he was clearly exhausted by the cabinet selection process, and that was just the beginning. He also had to find appointees of the correct ethnicity and gender for the thousands of other key positions in the many crucial agencies that make up the vast, ever-mutating, money-sucking blob we like to call "the federal government." This was a MASSIVE job. No wonder that, after all this appointing, Clinton has no energy left to be president. I'm getting tired just THINKING about it. Wake me up when it's 1996.

Knight-Ridder Newspapers

Rosemary Clooney, a Happy Singer Again

By Deborah Grace Winer

NEW YORK — Under iron-gray New York skies they start to gather at 8 A.M. By lunchtime, there are several thousand. A sea of silver hair blankets the Winter Garden at the World Financial Center. They are her people, people who ignored blizzard warnings and came by bus and subway and car from Queens and Staten Island and New Jersey to see an old friend.

She finally appears, a grandmother in wire-rimmed glasses with a cold, singing love songs, and they cheer and shout "Rosie!" The young professionals by now cranning the stairway and hanging from the galleries are caught up in the enveloping aura of this finger-snapping mama who sings and sways, and for an hour it's as if city life is suspended. There is only the music and Rosemary Clooney.

Clooney, who found stardom in the 1950s when her recording of the novelty song "Come On-A-My House" became a runaway hit, is at her peak these days. Much has changed since she was that young girl with the honey-colored looks and curly hair who starred with Bing Crosby in "White Christmas." There is nothing retro about her — no theatricality, no camp, no glamour of a bygone era. At 64, the Rosemary Clooney who has emerged over the last decade as an icon of classic pop and jazz is a hip earth mother, intuitive, intelligent, without pretense, coloring her visions of the pop repertoire with a husky-smooth, introspective warmth.

She seems to have finally exorcised the baggage of her 25-year "comeback trail" since a nervous breakdown. For her 1992 album, "Girl Singer," Clooney has received her first Grammy nomination since 1960. The release this month of her new album, "Do You Miss New York?," coincides with her fifth annual monthlong engagement at Rainbow and Stars in Manhattan.

"Thirty years ago I sang this song to your parents," she likes to say to the young audiences who are discovering her in increasing numbers. "Now I'm singing it for you." But though the songs may be the same, they're not really the same. Clooney brings to them a new perspective fed by years of personal anguish and the reordering of her world.

"Her girl," says Linda Ronstadt, who performed at Clooney's 1991 Carnegie Hall concert, "is that when she sings a song, you will see it exactly the way it was when it was first born, with that first painful or joyous impulse that brought it to life."

Visiting with Rosemary Clooney is exactly like listening to her music. At a snow-covered country inn, where she was preparing for a concert at the Palace Theatre in Stamford, Connecticut, one immediately feels comfortable with her straight-on manner and dry Irish humor, punctuated by a rolling, asthma-touched laugh.

Maternal of heart and figure, her existence is centered on her five children (from her marriage to Jose Ferrer, who died last year) and seven grandchildren. "I started to sing 'Come In From the Rain' recently — which is a love song actually — and I found myself thinking about my children," she says. "At different times in your life with the same song, you think about what's most important, where the relevance is."

Peace hasn't come easily for Clooney. In the early days she was compelled by Columbia Records to record a string of songs she had little affinity for, but which made her a star at 23. In addition to "Come On-A-My House," "Mambo Italiano," "Hey There" and "Tenderly" — her favorite of the early songs, which she insisted on recording. Her tremendous popularity landed her on the cover of



Rosemary Clooney with grandson Nathaniel Botwick at the Palace Theatre in Connecticut, and circa 1953.

Time. With every success the treadmill of recording, movie, television, nightclub and concert obligations accelerated, and the exorbitant fees she received went into running a household in Beverly Hills, which included her five young children, a staff of seven and a husband from whom she would soon separate.

Then came the crash. Divorced from Ferrer, she became dependent on barbiturates, which began to take the opposite effect on her. Sleepless, she campaigned exhaustively in 1968 for her friend Robert Kennedy, and the night he was assassinated, she was there. Afterward, she was seized by the delusion that he wasn't really dead.

Angry with audiences who kept clamoring for "Come On-A-My House," and displaying increasingly erratic behavior, culminating in a nighttime drive up the wrong side of a mountain road, she was hospitalized. As her mental health was restored, she began eight years of analysis and group therapy.

When Clooney emerged from her illness, virtually no one would hire her. Despite a reputation built up over 20 years as a highly professional performer, she had been branded a bad risk. She had lost her pleasure in singing and it showed, but she needed money and took whatever jobs she could find, working Holiday Inns on weekends. "Sometimes people stumbled into the place accidentally," she says. "Sometimes they wouldn't pay attention, especially when I was not singing very well; then they'd talk.

But it was worthwhile, because I got right back to basics." While she re-evaluated her personal priorities, learning to cook, planting a garden and caring for her school-age children, she also rethought her relationship to music. "Because I didn't have the high pressure of a big career for those years," she says, "I could come to the singing freshly." Eventually, it was Bing Crosby who started her comeback by hiring her to accompany him on tour.

New to her was the ability to express deep emotion, something she had always found difficult. Because of her early material and a deceptively casual style that lacked the flash or drama of, say, Peggy Lee, Clooney was for a long time relegated to the artistic realm of the "pleasant."

"Sometimes I wish listening to some of the records that I've made because it gets terminally cute," she says. "But that's O.K. I really like some of the long lines, the purity."

It is in the last decade that she has done her most meaningful work. "Do You Miss New York?" — arranged with a small jazz combo — illustrates how Clooney's life and music have converged. Interpreting a range of material from "Route 66" to ballads like "I Wish You Love," it is pure Clooney.

Deborah Grace Winer, co-author of "Sing Out, Louise! 150 Stars of the Musical Theater Remember 50 Years on Broadway," to be published in September, wrote this for The New York Times.

PEOPLE

Bye-Bye Big Apple? Latest on Letterman

Big Apple or Lala land? David Letterman, who will switch from NBC to CBS later this year, plans to move his late-night talk show to Los Angeles, according to the New York Post. CBS denied the decision has been made. The newspaper said the show's staff was informed of the change Thursday, just before a rally at city hall begging the comedian not to leave New York. Letterman's departure would be a "terrible psychological blow" to New York and would cost the city \$50 million in tourist revenue and production costs, said Councilman John Sabino. Another councilman passed around a Top 10 list of reasons why Letterman should stay in New York. Among them: "Lala land" is an even dumber slogan than "Big Apple."

Ivana Trump, proving again that there is life after the Donalds, will surface this spring on the Home Shopping Network, presenting her own line of clothing and jewelry. This is the latest in a series of changes for Ivana, 43, who previously tried writing steamy novels and modeling.

The British government has denied that Queen Elizabeth II is getting a new £80 million (\$115 million) "floating palace" to replace her 40-year-old royal yacht Britannia. A Buckingham Palace spokesman said it was too early to say what conclusions a government review of Britannia would reach, after a £17 million refit last year. The ship costs £11 million a year to run. Britannia is paid for out of the defense budget, partly because it could be used as a hospital ship in time of war. But Defense Minister Archie Hamilton has acknowledged for the first time that it would never be used for that purpose, prompting complaints from opposition. Labor Party politicians that the country could not go on paying for the queen's ship.

For the fourth straight year, comedian Billy Crystal will host the 65th Annual Academy Awards ceremony March 29 in Los Angeles.

INTERNATIONAL CLASSIFIED Appears on Pages 4 & 7

WEATHER

Weather forecast section including maps of Europe, North America, and Asia, along with temperature and precipitation data for various cities and regions.

IT TAKES ALL KINDS By Nancy Nicholson

Crossword puzzle grid with clues for Across and Down. The grid is partially filled with numbers indicating the start and end of words.

BOOKS

LOSS OF EDEN: A Biography of Charles and Anne Morrow Lindbergh

By Joyce Milton. 520 pages. \$25. HarperCollins.

Reviewed by Peter Kurth

IN "Loss of Eden," Joyce Milton's admirably researched dual biography of Charles and Anne Morrow Lindbergh, the hero and heroine don't actually meet until page 153, when Lindbergh, "the Lone Eagle," fresh from the triumph of his trans-Atlantic crossing in 1927, visits the Morrrows in Mexico City, where Anne's father was ambassador.

courting Anne "with the same methodical single-mindedness he brought to the preparation for his assault on the Atlantic." Anne, permanently introspective and already determined to be a writer, wrestled hard with the prospect of "marrying a man who proudly told her that he knew a little about poetry himself."

"At least he's a nice clean boy," her father, Dwight Morrow, remarked, and that about sums it up; Charles A. Lindbergh was a nice clean boy with a stubborn streak and some middleheaded, "scientific" views about government and race. Ultimately they led him to a flirtation with Nazism and cost him his position as Hero Number One in the American pantheon. Reviewing the publication of Lindbergh's "Wartime Journals" in 1970, Jean Stafford called him a "gooey bird," echoing the judgment of Dorothy

Thompson, columnist for the New York Herald Tribune, whose attacks on Lindbergh before World War II were scathing to the point of libel.

Did the Lindberghs have a "happy" marriage? Is there any way to tell? Milton makes it plain that Anne was often lonely, and that Charles, by all accounts a "moody" and difficult character, was "used to having his own way in everything." They were bound together not just by temperament and by Anne's assumption of the second place, but by the force of tragedy and the burden of their own legend. Fully a third of Milton's book is given over to her narrative of the kidnap and murder of the Lindberghs' baby son, Charles Jr.

ment for biography in the 1990s.

Peter Kurth, author of "Anastasia: The Riddle of Anna Anderson" and "American Cassandra," a biography of Dorothy Thompson, wrote this for the Washington Post.

Solution to Puzzle of Jan. 6-7

A grid showing the solution to the crossword puzzle from January 6-7, with words filled in.

Large advertisement for AT&T USADirect Service. It features a stylized globe with the text "Speed up the approval process." and a list of international access numbers for various countries.